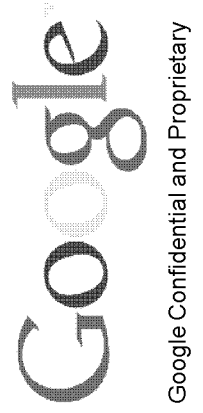


**EXHIBIT 94 TO  
HARVEY DECLARATION  
REDACTED VERSION**

# Google Compensation Basics

*Building a foundation of knowledge*



# Objectives

Google

- 1) Provide recruiters with a strong foundational knowledge of compensation at Google
- 2) Prepare recruiters for common comp-related questions, objections and circumstances that they may encounter while working with a candidate
- 3) Increase transparency of Google's compensation philosophy and processes
- 4) Encourage broader recruiter collaboration with compensation team

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# Agenda

Google

Compensation Philosophy

Compensation Structure

Bonus Plans

Equity

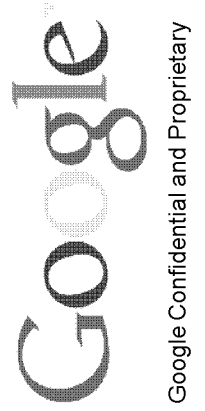
Benefits

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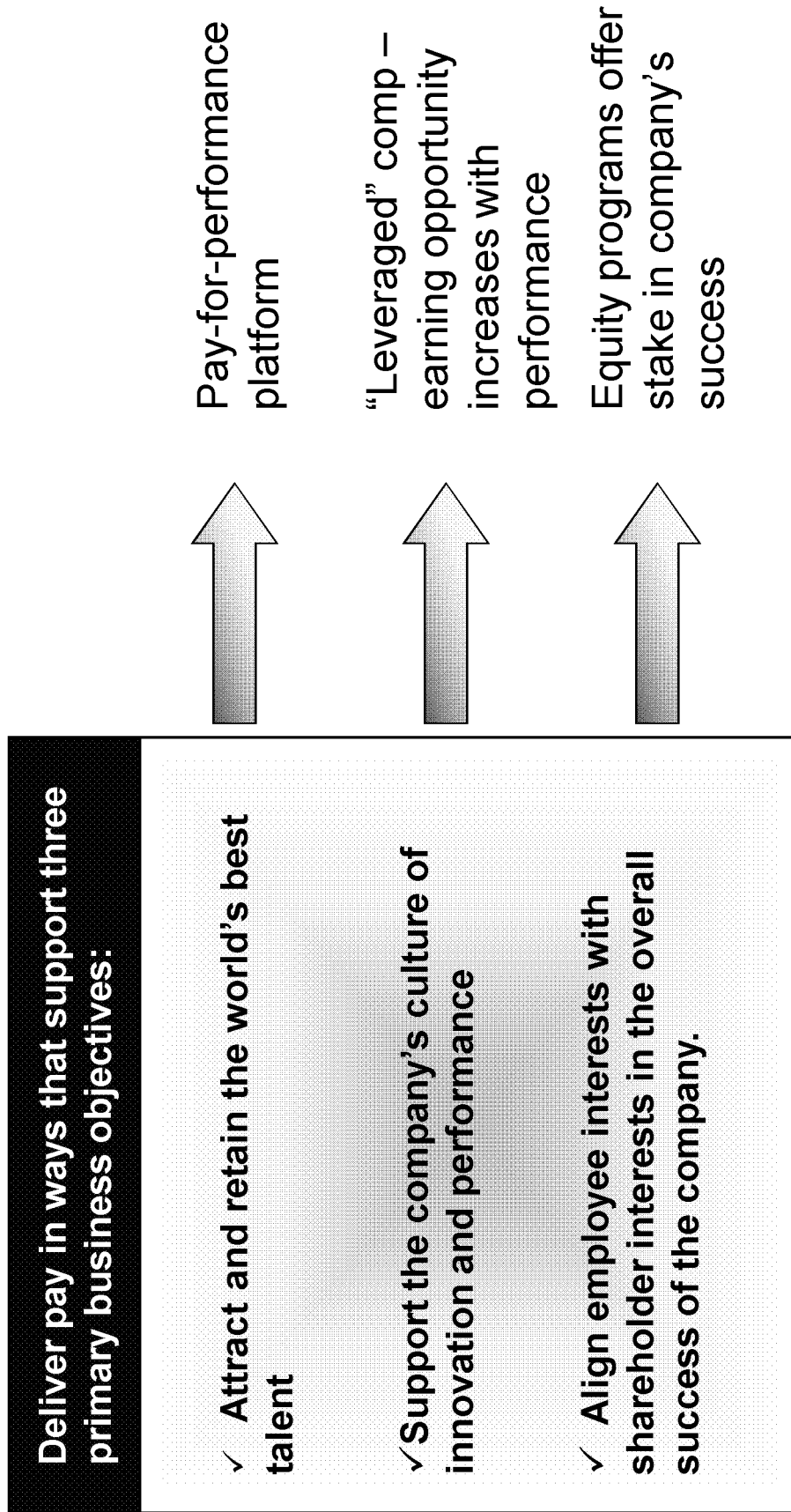
# Philosophy

## *Value Proposition, Application, Roadblocks*



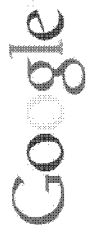
# Compensation Philosophy

Google



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# Total Reward Value Proposition



Google designs competitive total reward packages

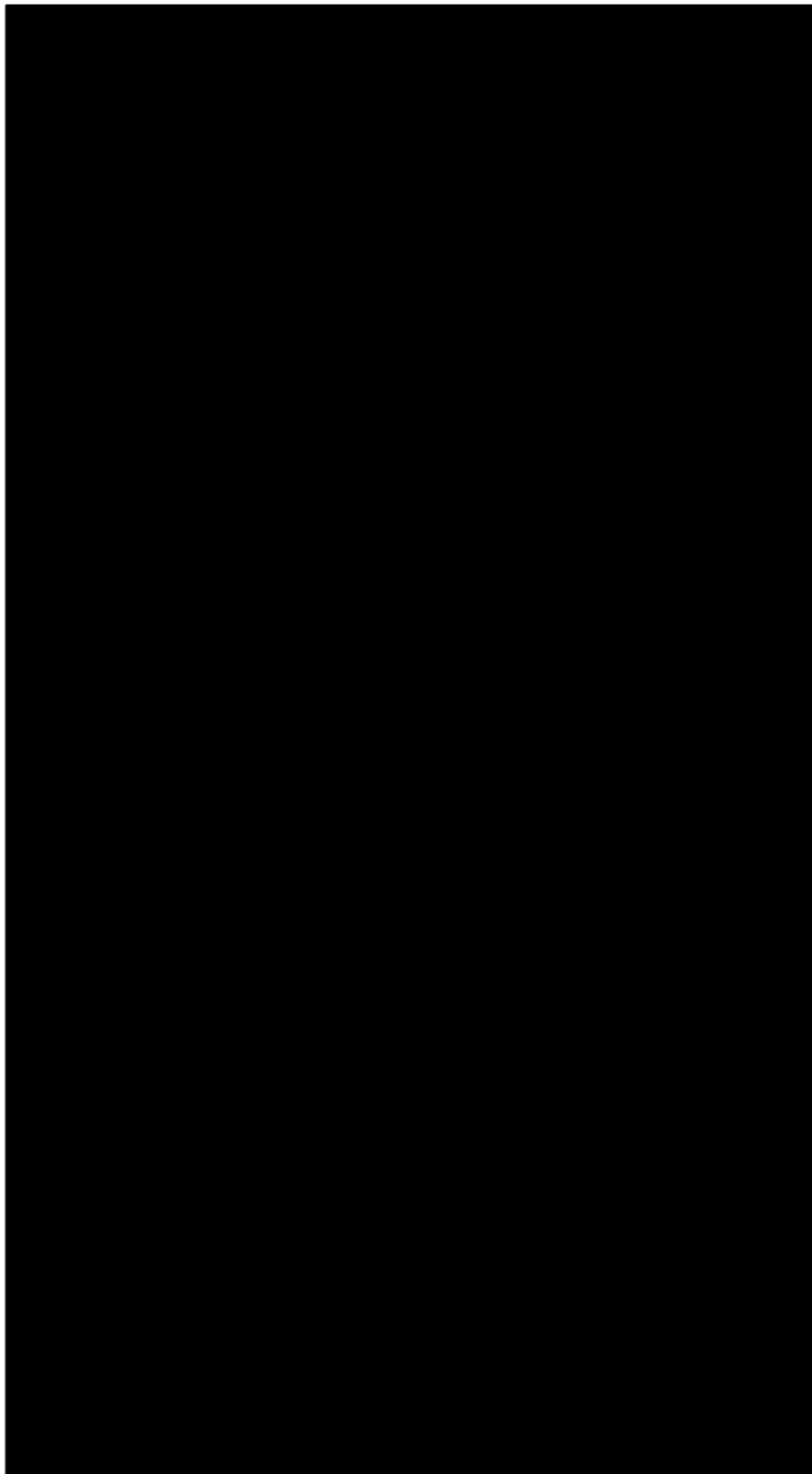
REWARD ELEMENT		OBJECTIVE
TOTAL REWARD	WORK CONTENT, ENVIRONMENT & CULTURE	Build one of the most intelligent, highly motivated groups of employees in the world and foster a flat, collaborative work environment. Provide ongoing exposure to interesting and challenging work
	BENEFITS	Be a market leader in indirect awards in a way that adds meaningful value to employees' personal and professional lives
	EQUITY	Provide all employees with an ownership stake in the company's future performance, AND "meaningful" future value at grant
	BONUS	Above-market highly leveraged short-term cash incentives that reward individual contributions rather than tenure or roles
	BASE	Competitive base salaries
TOTAL REMUNERATION		
TOTAL DIRECT PAY		
TOTAL CASH		

# What's our history and where are we today? Google

Illustrative

Our **target** pay rates have changed over time...

(actual varies with individual and company performance)

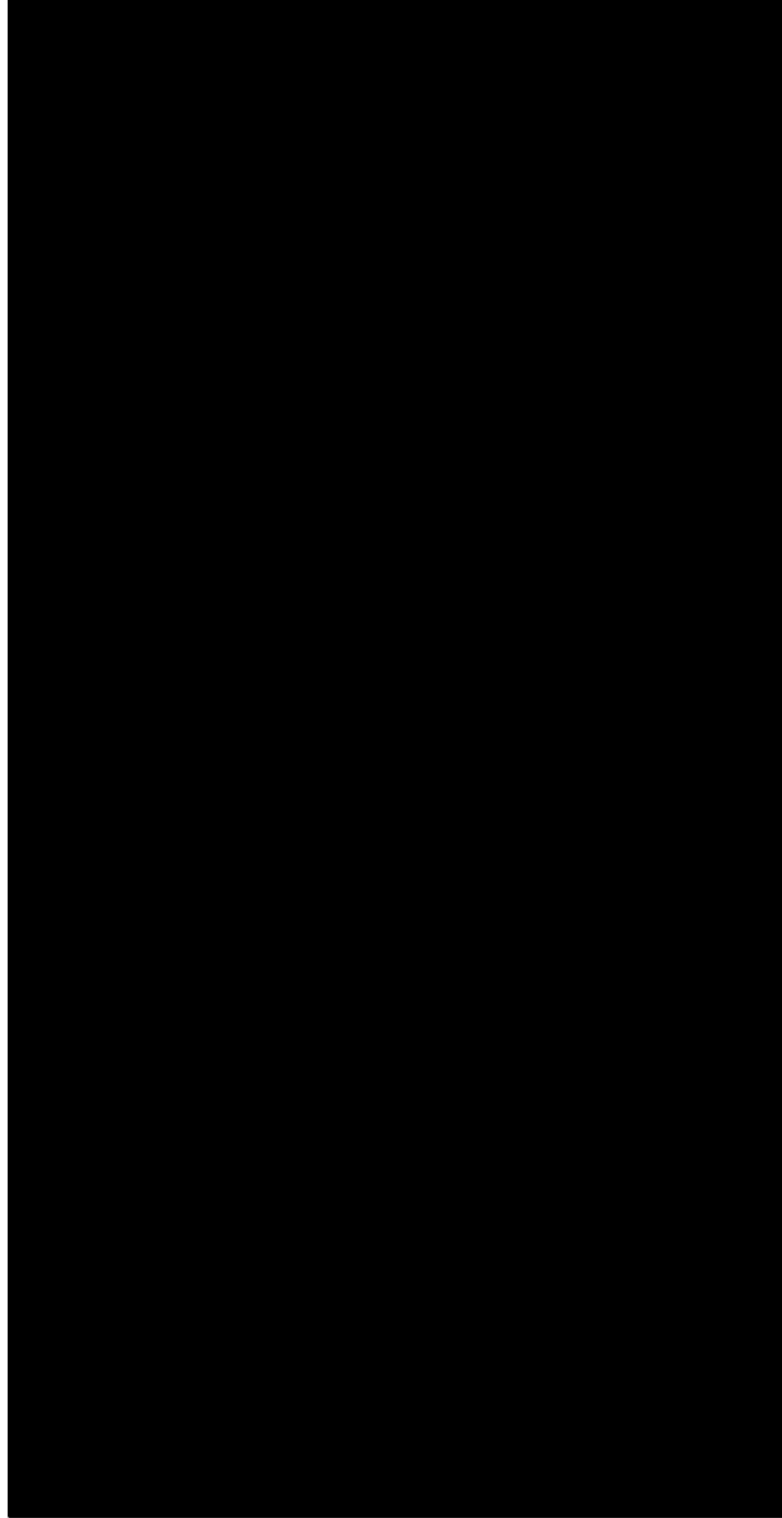


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## Level 4 total direct compensation

Google

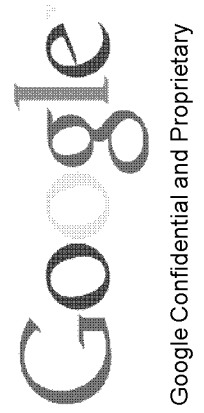


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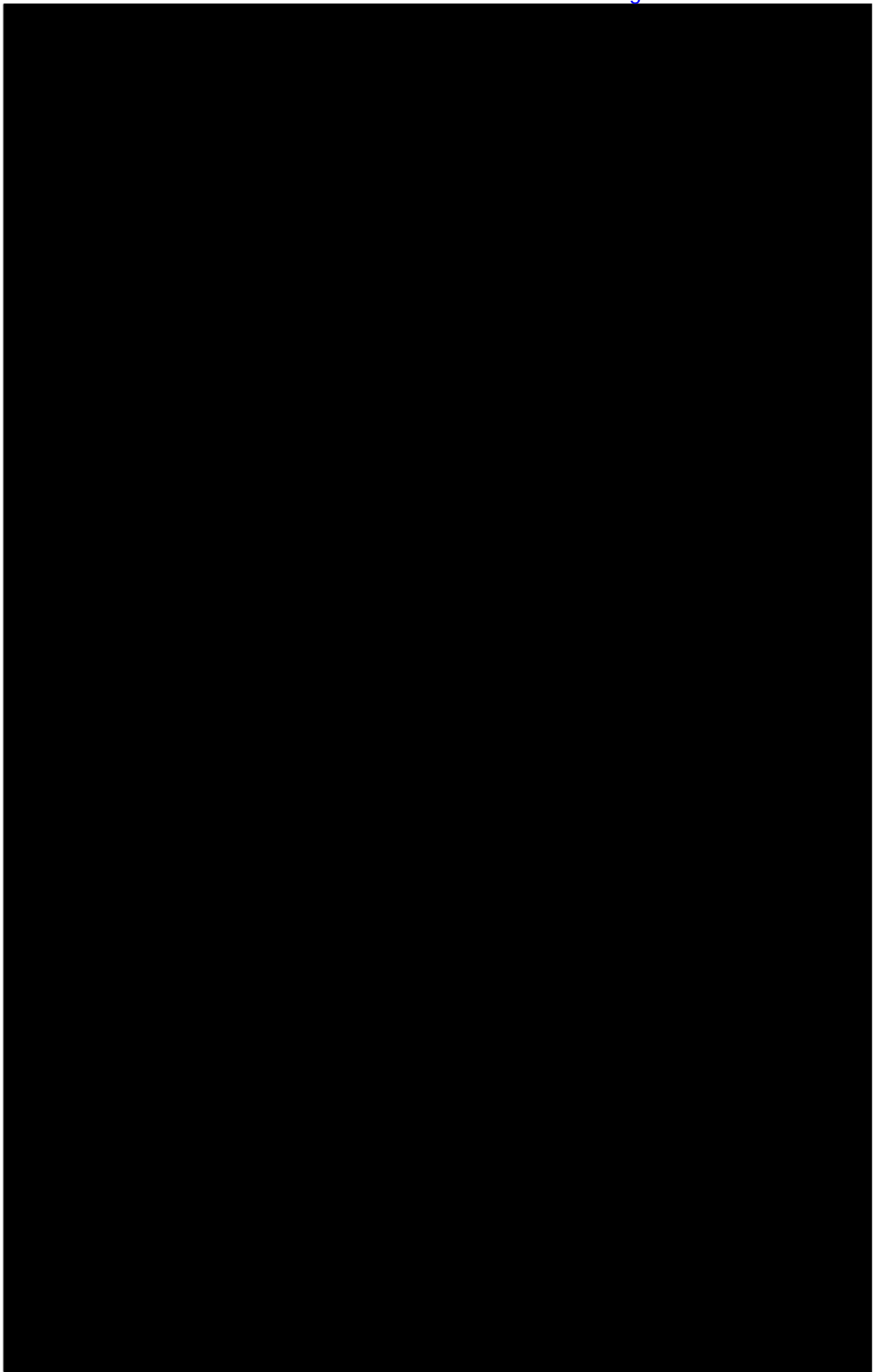
# Compensation Structure

## *Ladders, Leveling, Benchmarking and Ranges*



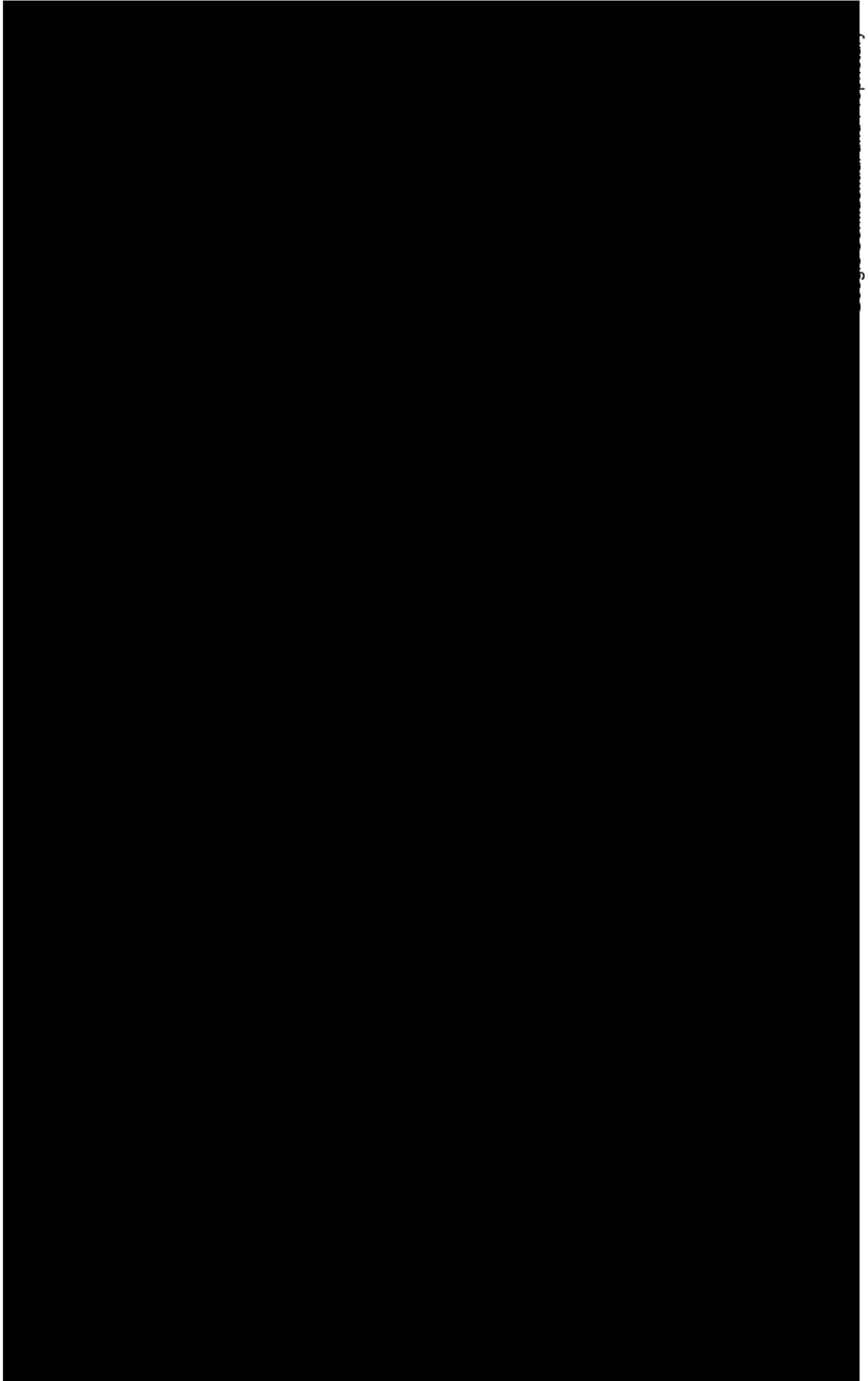
Google

Job Ladders

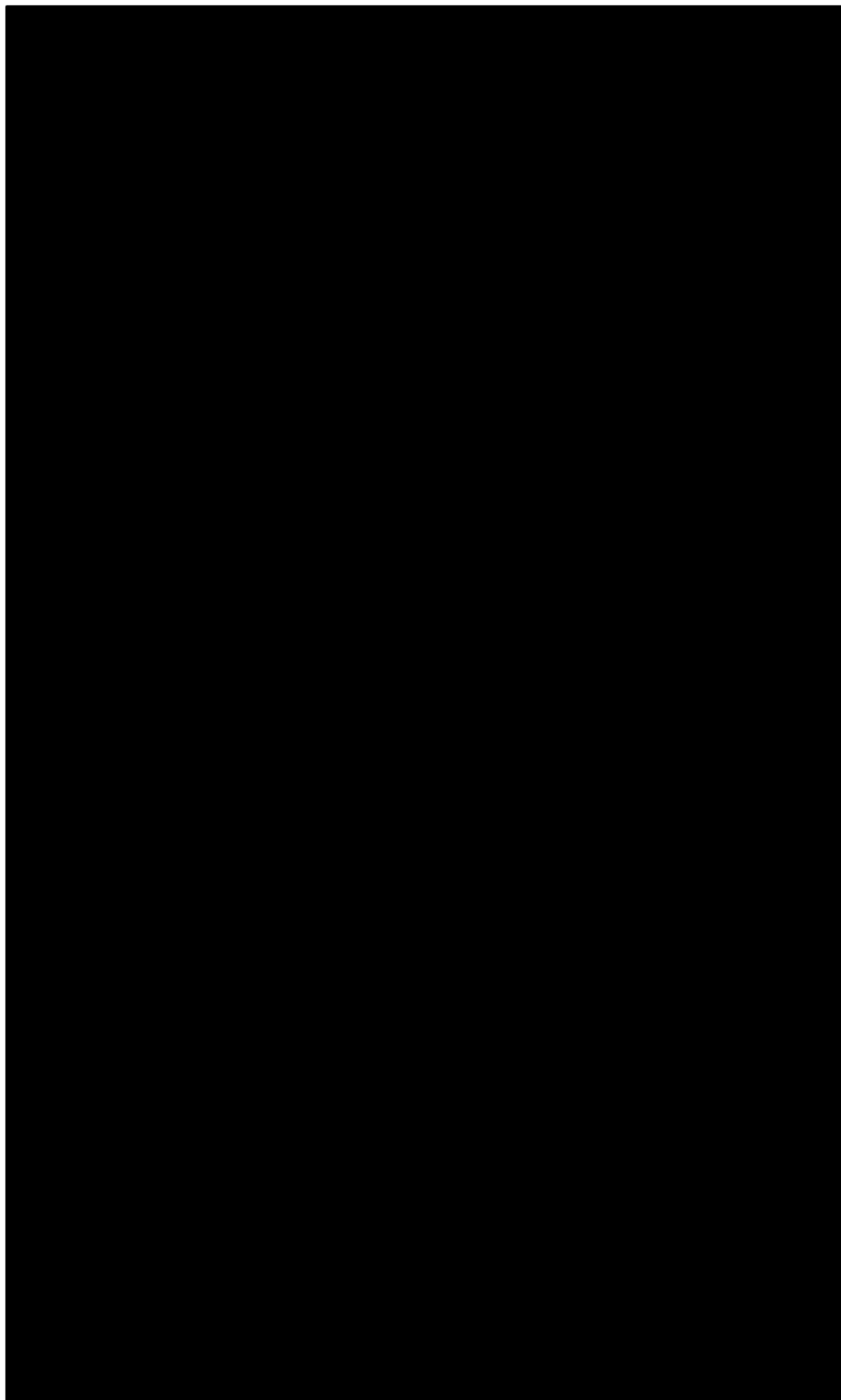


Google

Sample Job Family - SWE



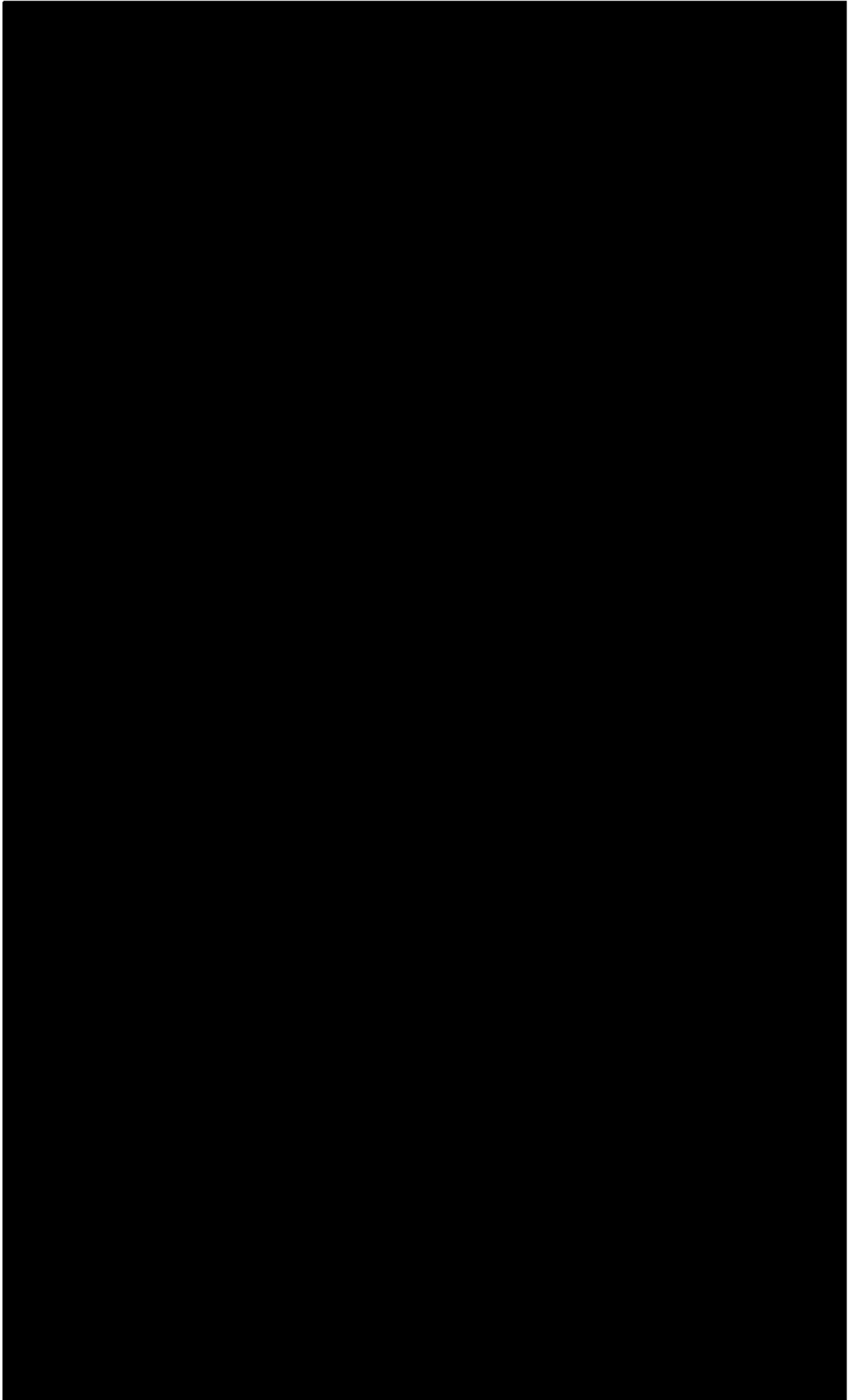
# Sample Job Family - Compensation Analyst Google



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Google

Leveling a New Job



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# Benchmarking

Google

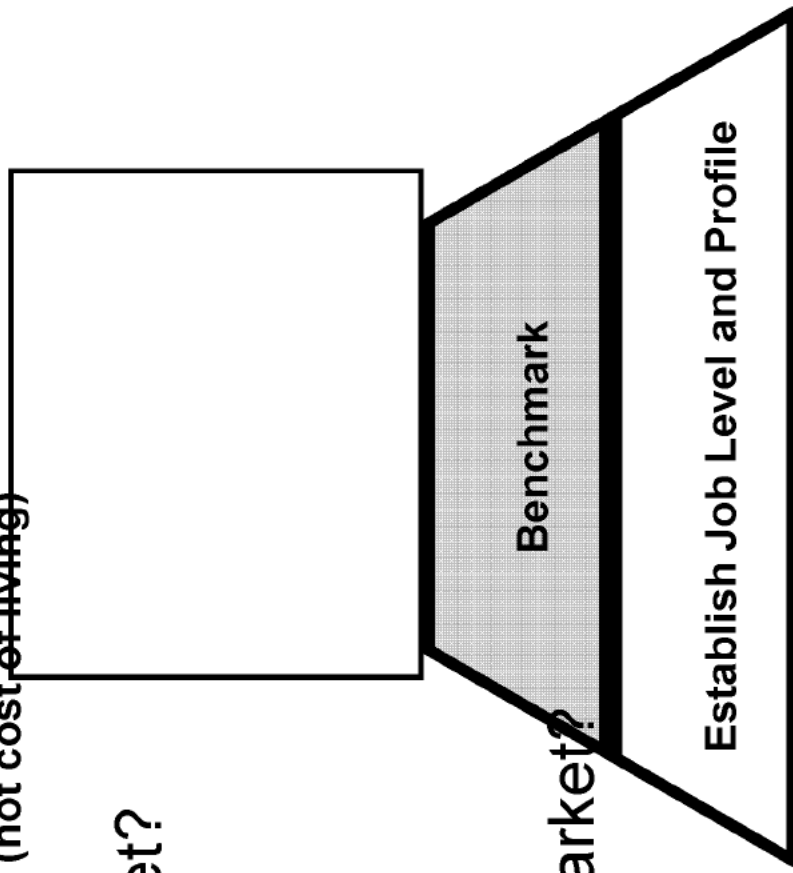
What is Google's intended position relative to market (non-sales)?

- [REDACTED] for each element of pay (base, bonus, equity)
- We pay in accordance with the local market (**not cost of living**)

How do we measure the market?



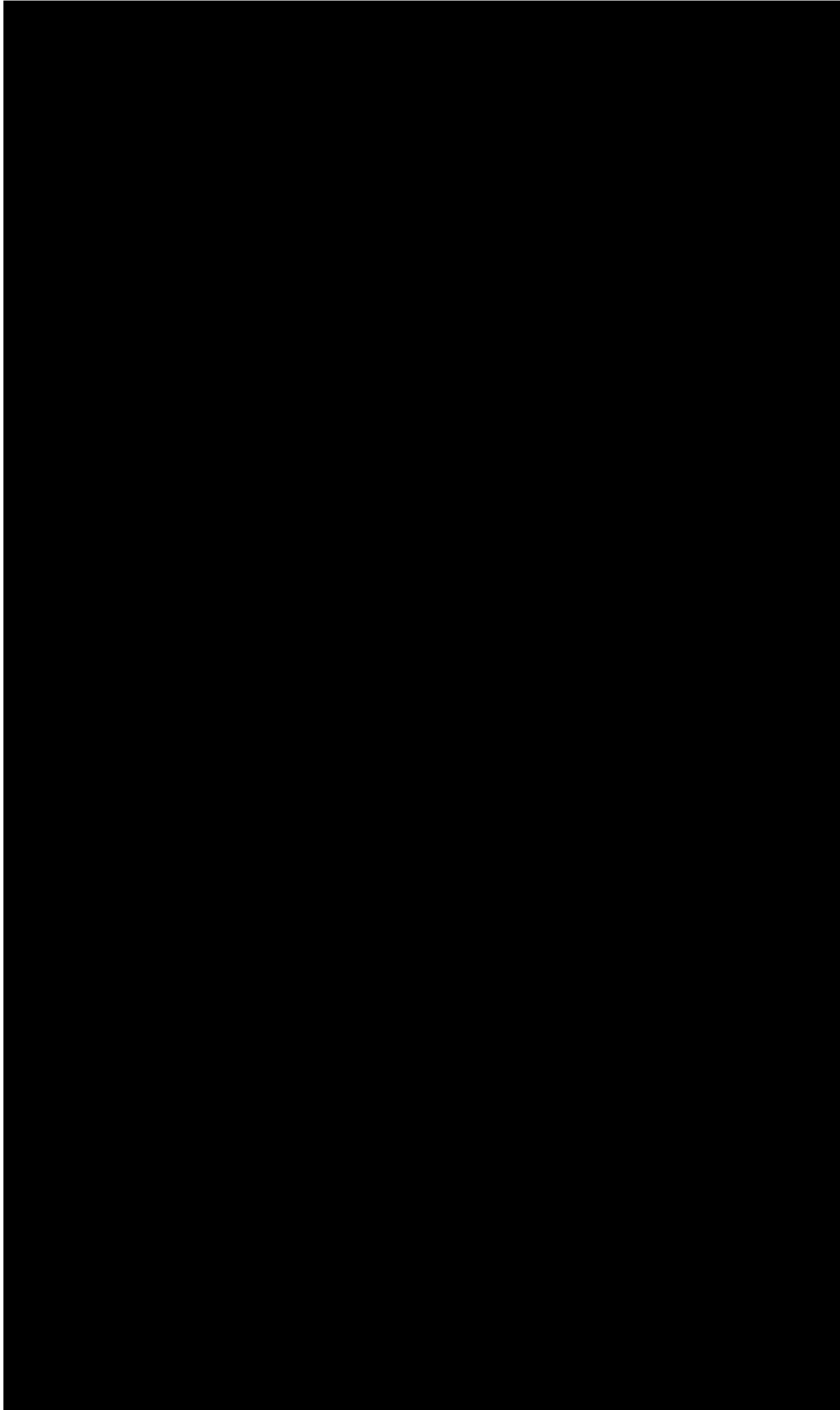
How do we compare jobs to market?



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Google

## Establishing Salary Ranges

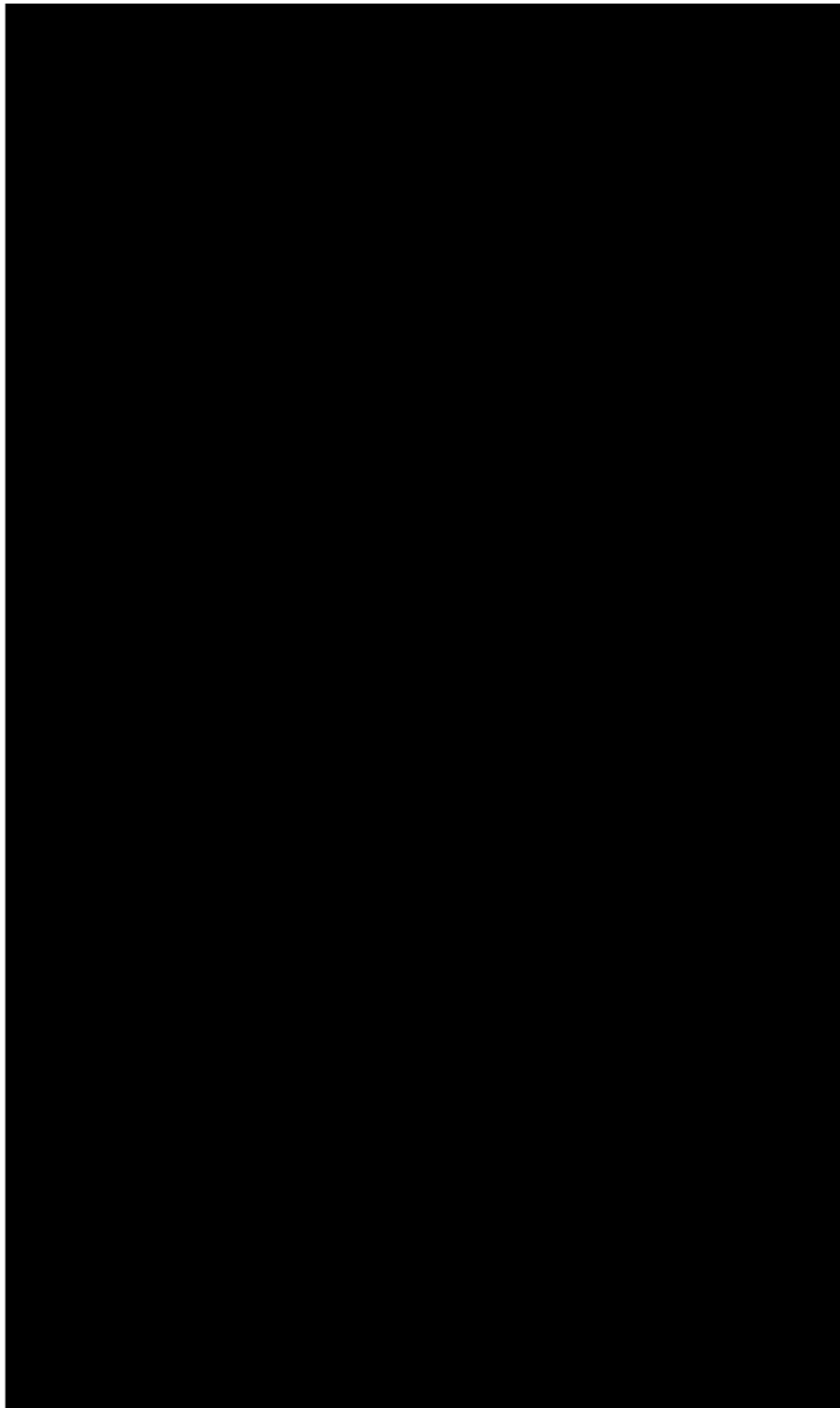


Reference

**Point** Google Confidential and Proprietary



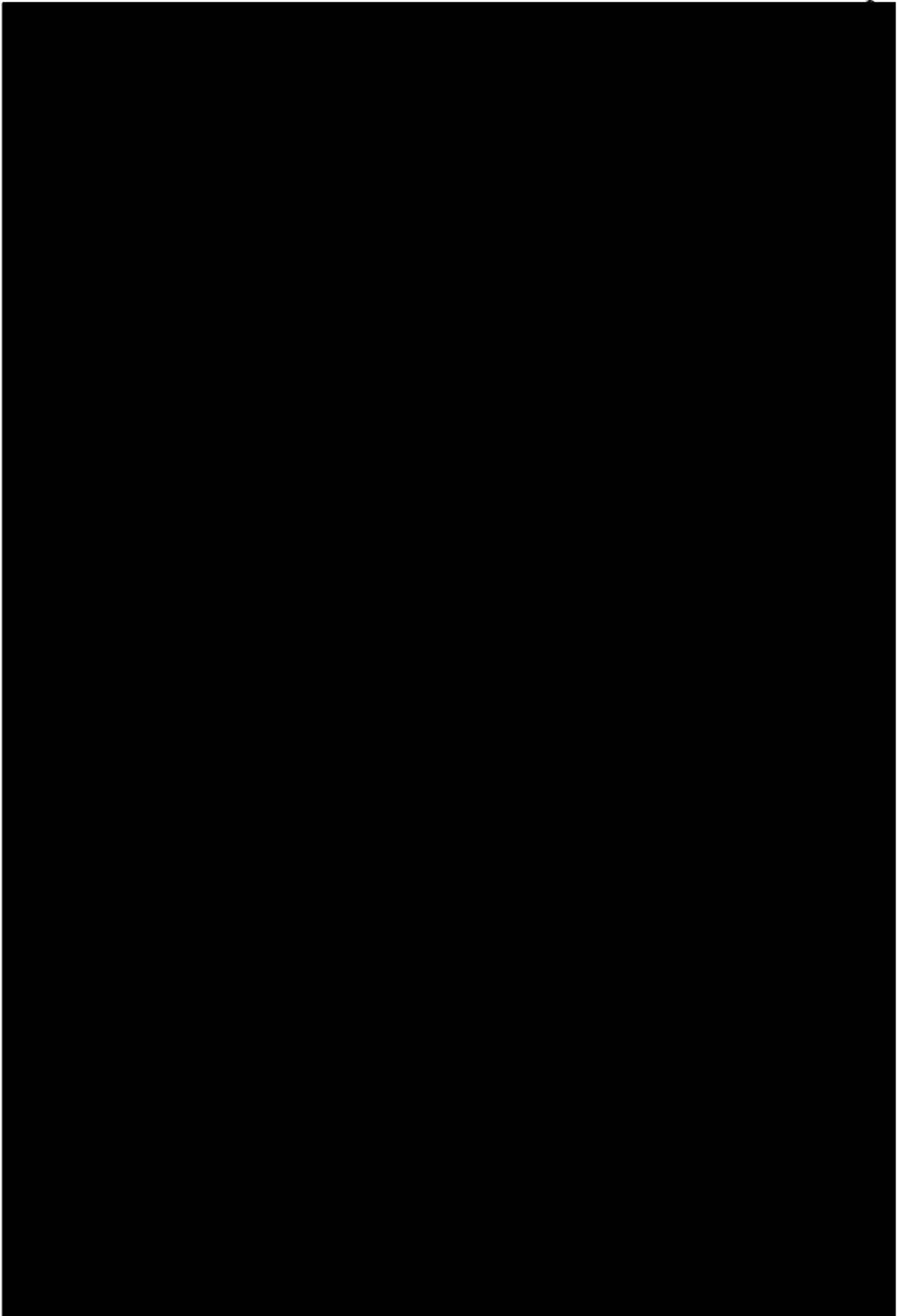
# Determining Base Salary for Paul Aussie · Google



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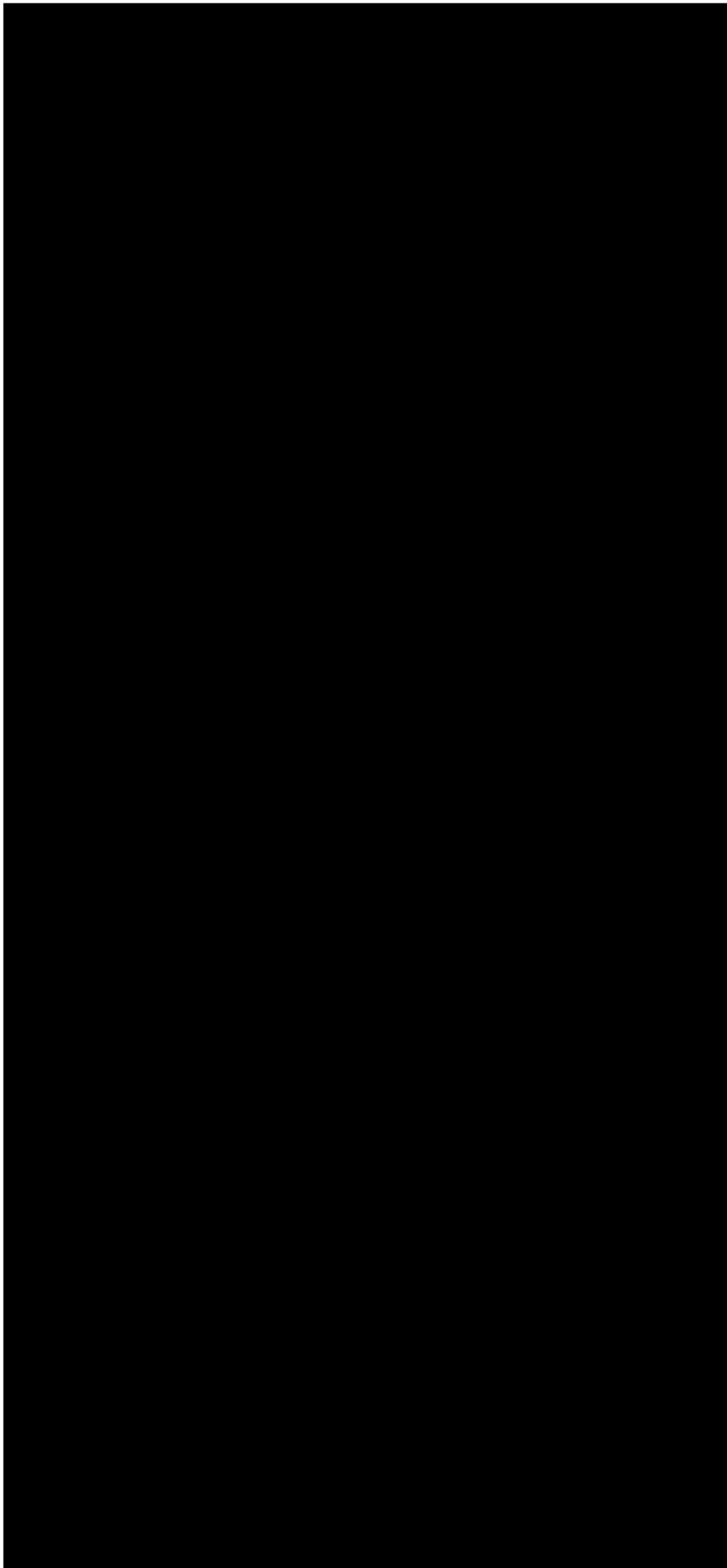
Google

## Establishing Salary Ranges



Google

Slotting

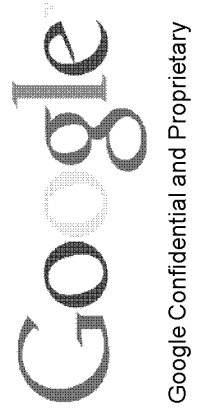


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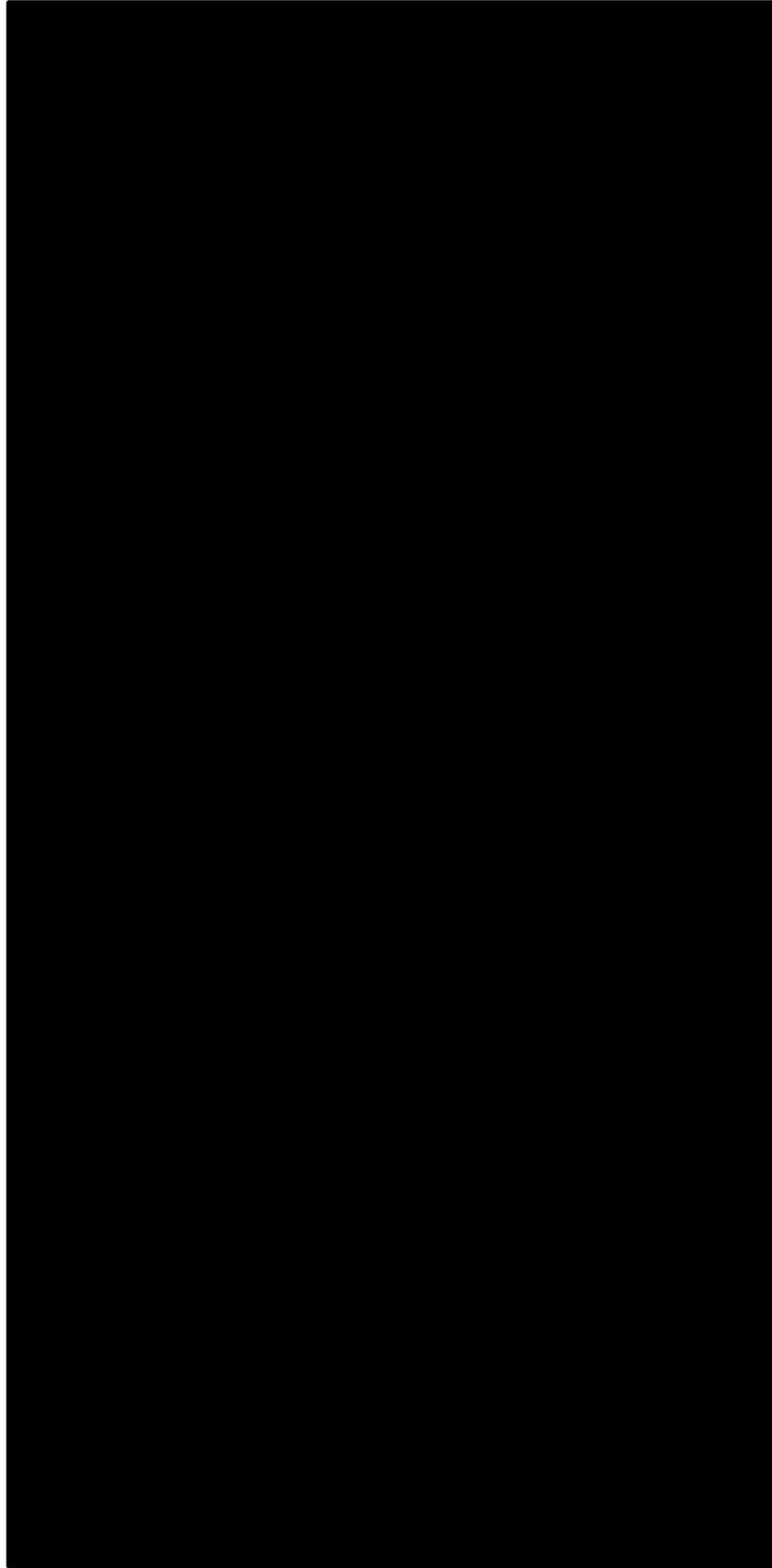
# Bonus Programs

*Company, Sales, Sign-on, Relocation, Retention*



Google

## Company Bonus Program

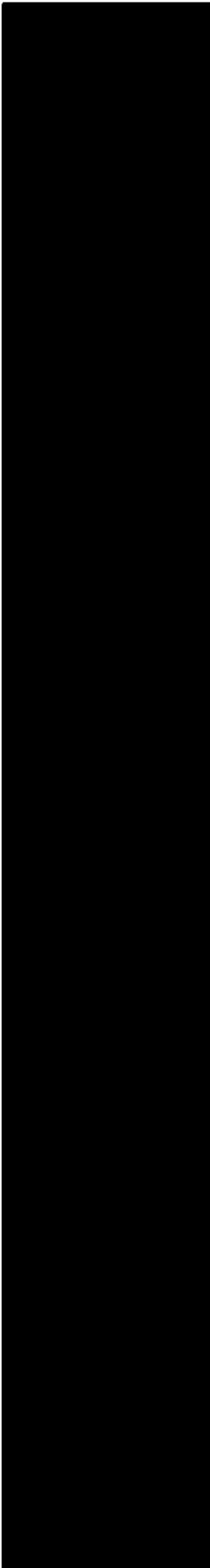


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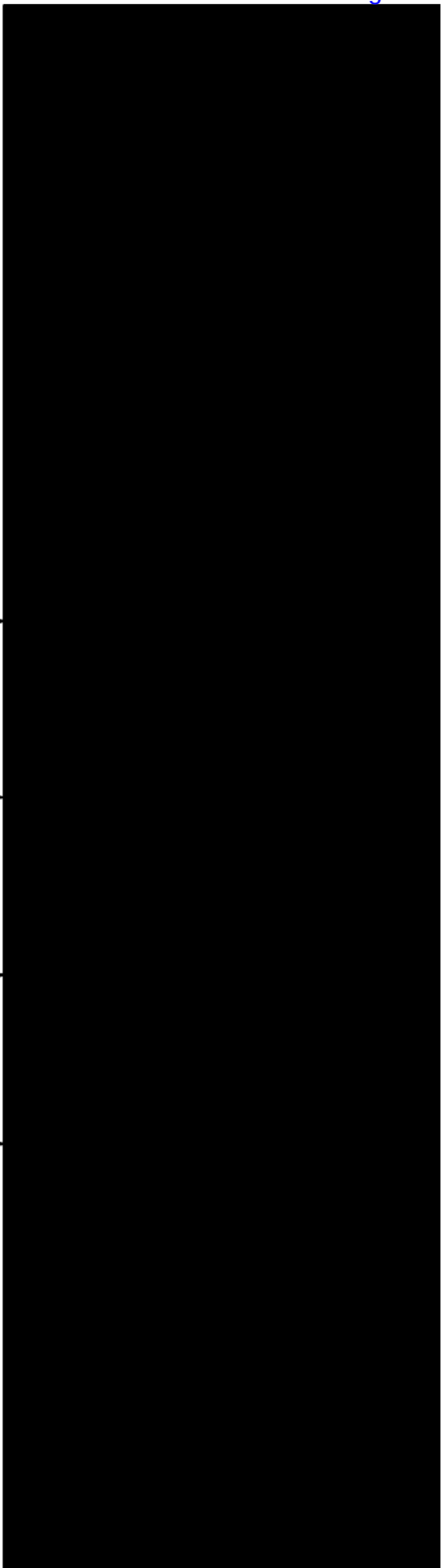
# Company Bonus Program

Google

## Company Bonus Plan Mechanics:

A large black rectangular redaction box covering the content of the table under the 'Company Bonus Plan Mechanics' header.

## Calculation Detail:

A large black rectangular redaction box covering the content of the table under the 'Calculation Detail' header.

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# Company Bonus Program

Google

Eligibility

[REDACTED]

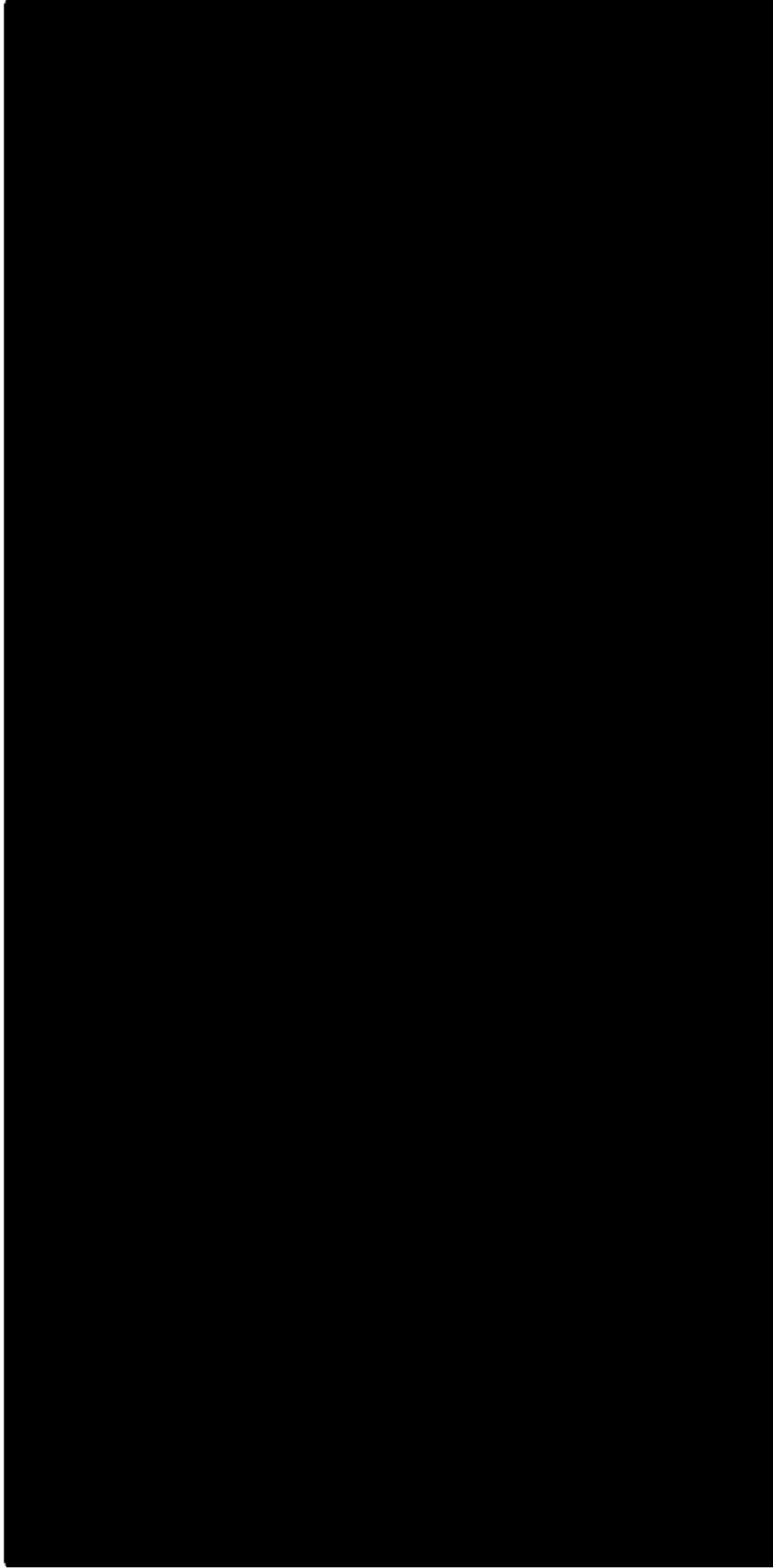
Payout

[REDACTED]

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Google

## Sales Incentive Program



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Google

## Sales Incentive Program

### Sales Incentive Plan Mechanics:

[REDACTED]

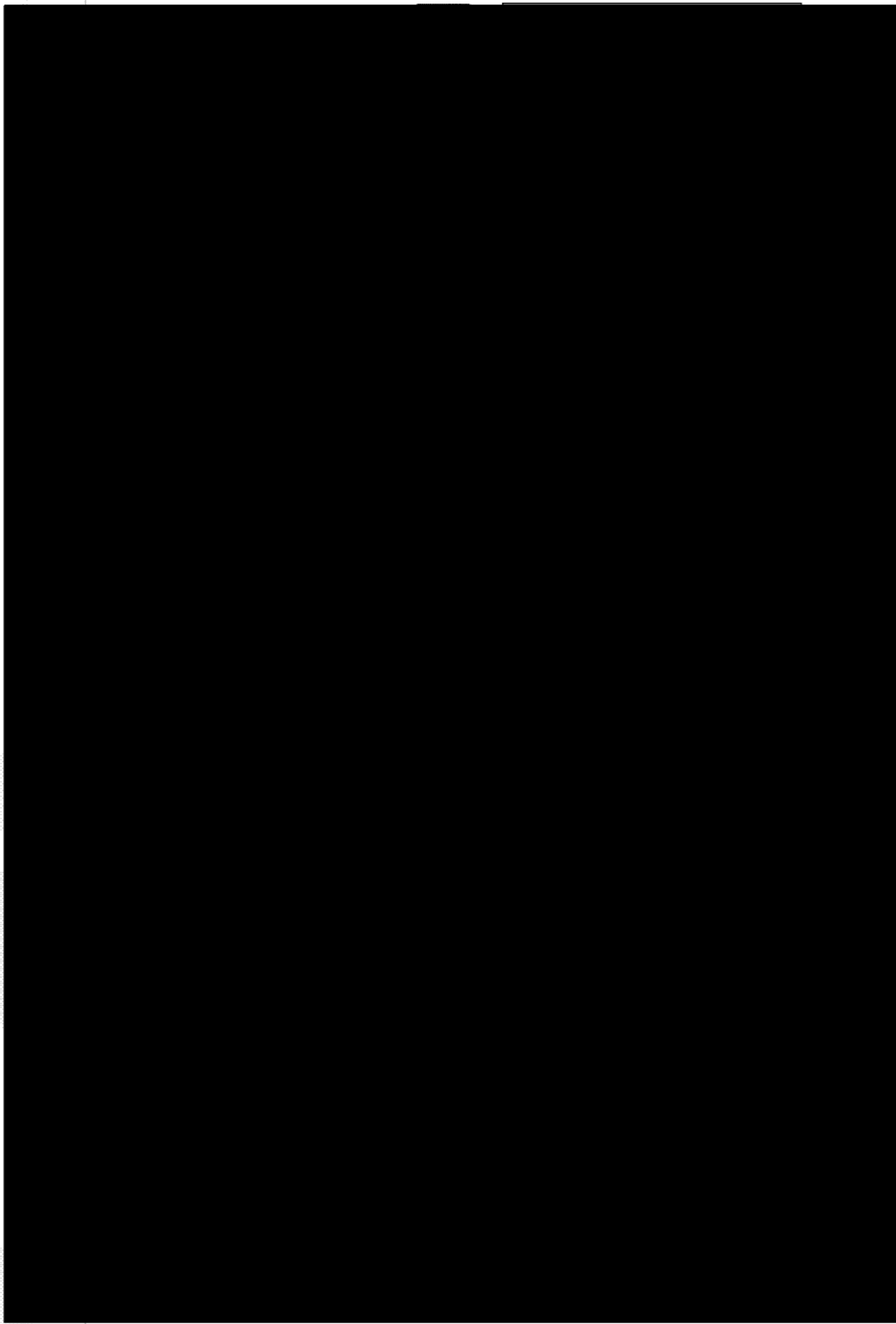
### ANNUAL TRUE UP

### OSO Quarterly Bonus Plan Mechanics :

[REDACTED]

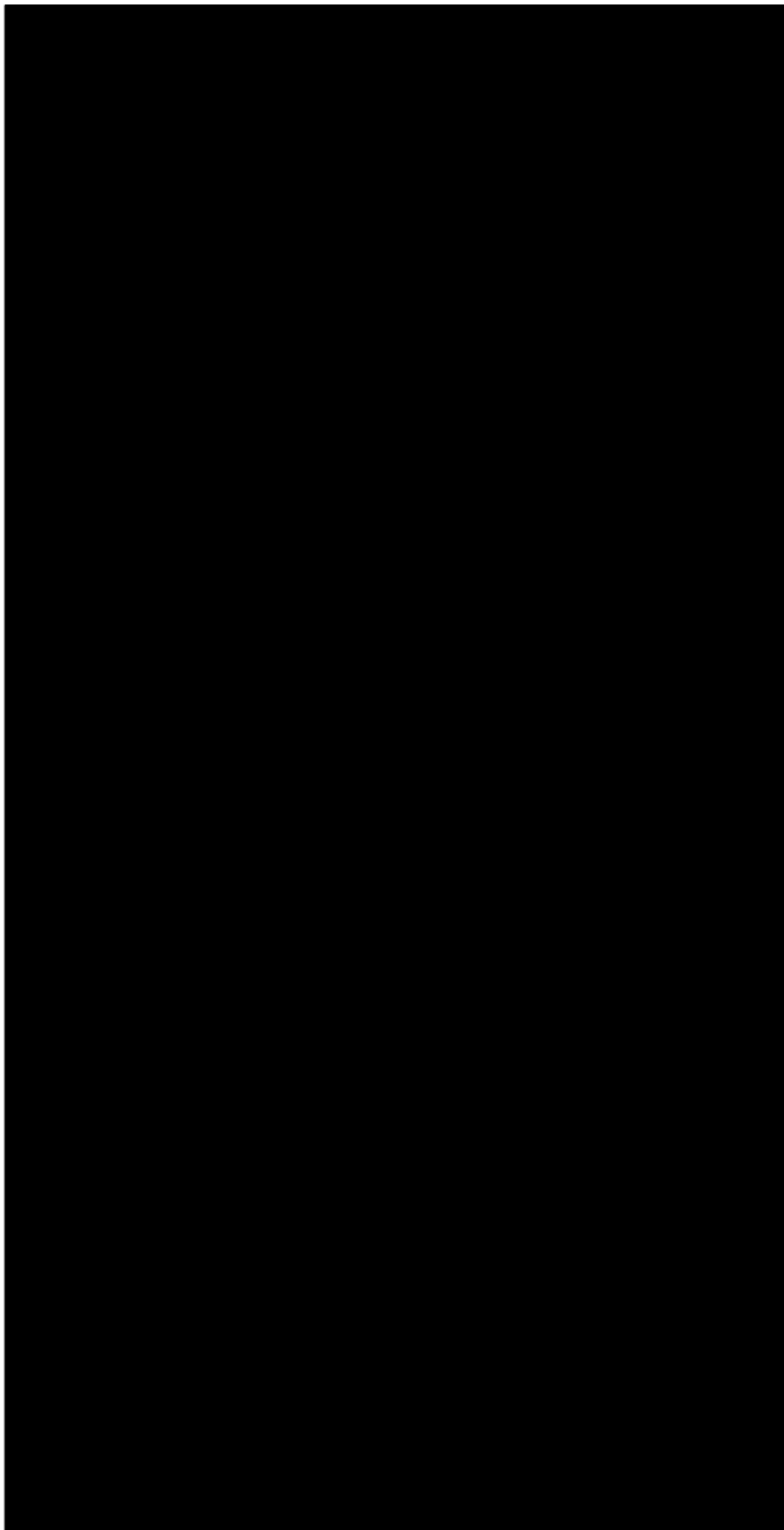
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## Relocation Packages (U.S)

Google



**\*\* Plan should be noted in OWF \*\***

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Google

## International Relocation

### Eligibility

[REDACTED]

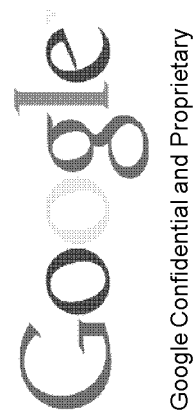
### Process

[REDACTED]

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# Equity

## *New Hire Grants, Refresher Grants*



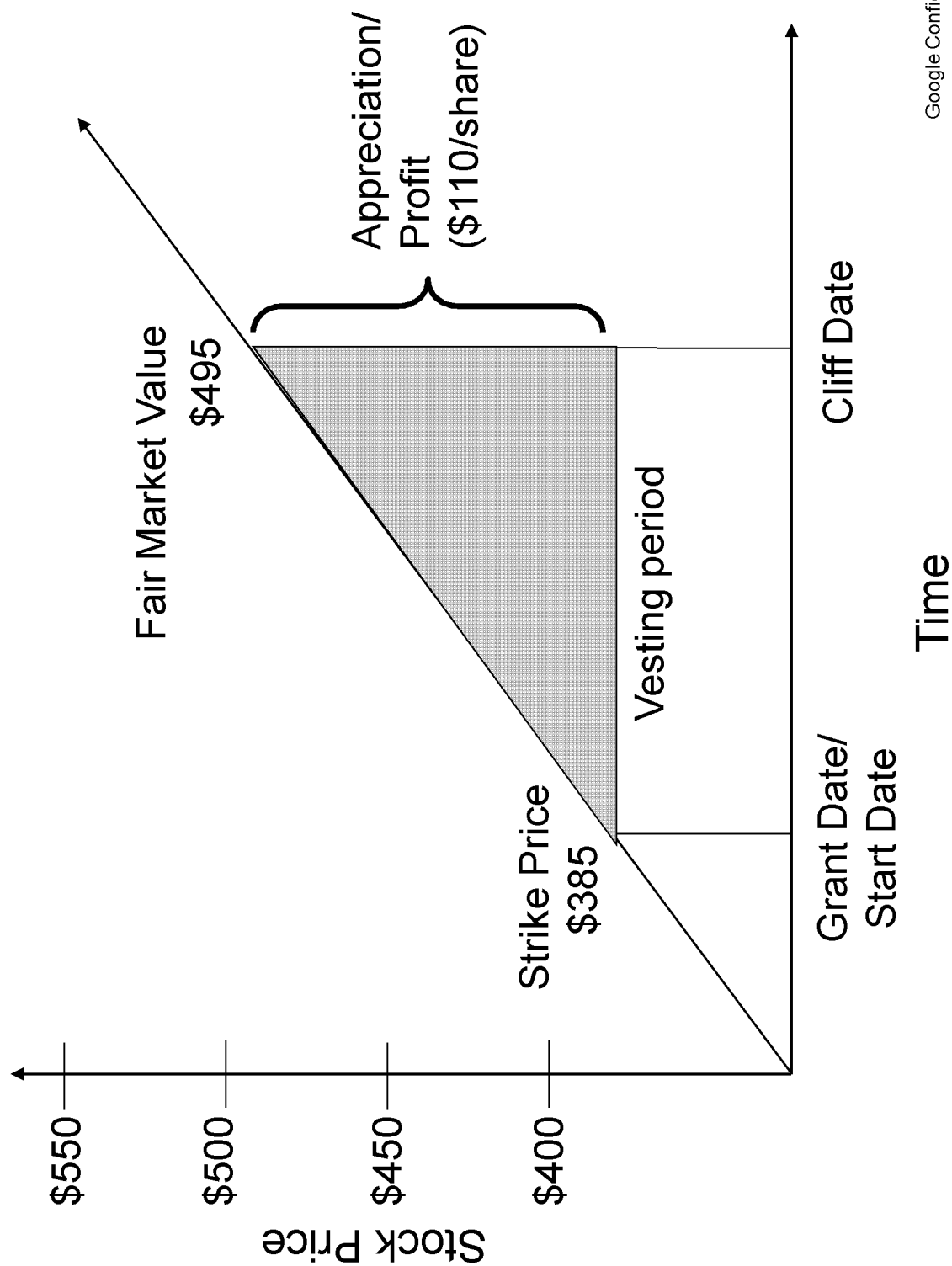
# Stock Options: Overview

Google

- A stock option is a securities contract that gives the holder (the “Optionee”) the right to purchase a set number of shares of the Company’s Common Stock at a fixed price (the “strike price”).
- The **strike price**, or exercise price, is based on the value of the stock on the day the option was granted.
- An Employee is not able to exercise, or purchase his/her stock options until they have “vested”.
  - Vest over four years:  $\frac{1}{4}$ <sup>th</sup> after year one, and  $\frac{1}{48}$ <sup>th</sup> per month thereafter
  - Granted at Fair Market Value (closing price on the date of grant)

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# How is a “normal” stock option valued? Google

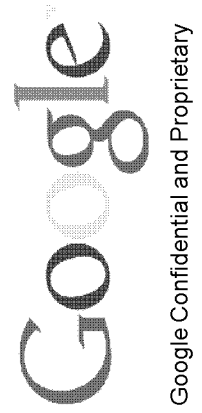


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# Transferable Stock Options

## *Program Overview, TSO Value, Auction Process*



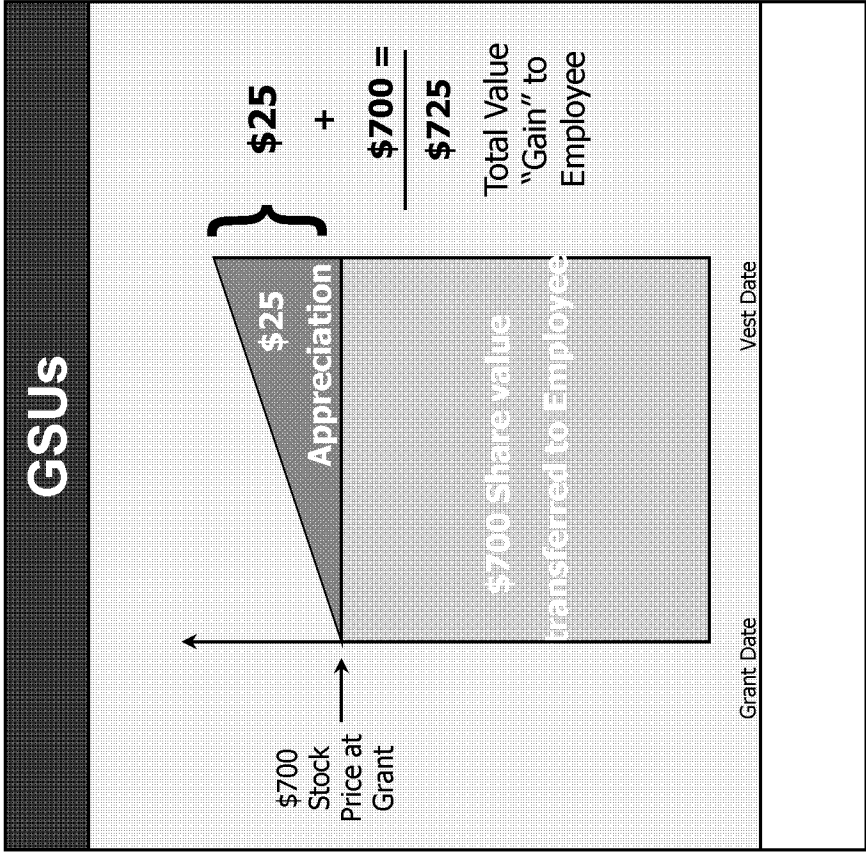


# GSUs



Google

- Similar to restricted stock
- Offer employees almost immediate “value” and “downside protection”
- Vest over four years: 1/4<sup>th</sup> per year
- No stock price movement is necessary for employee to realize a “gain”
- Gain is equal to the full price of the stock on the day of vest
- Performance contingent nature allows to calibrate value delivery on an after-the-fact basis



# Stock Options vs. GSUs: Tax Implications

Google

**Note: Tax treatment varies by country**

Stock Options	<ul style="list-style-type: none"> <li>Gain to the employee is taxed as ordinary income <u>when the options are exercised</u></li> <li>Upon sale of acquired shares, any further appreciation is taxed at applicable capital gains rates</li> </ul>
GSUs	<ul style="list-style-type: none"> <li>Gain to the employee (i.e., full share value + appreciation/depreciation) is taxed as ordinary income <u>when the units vest</u> <ul style="list-style-type: none"> <li>Shares are granted net of tax withholding as shown:</li> </ul> </li> <li>Upon sale of acquired shares, any further appreciation is taxed at applicable capital gains rates</li> </ul>

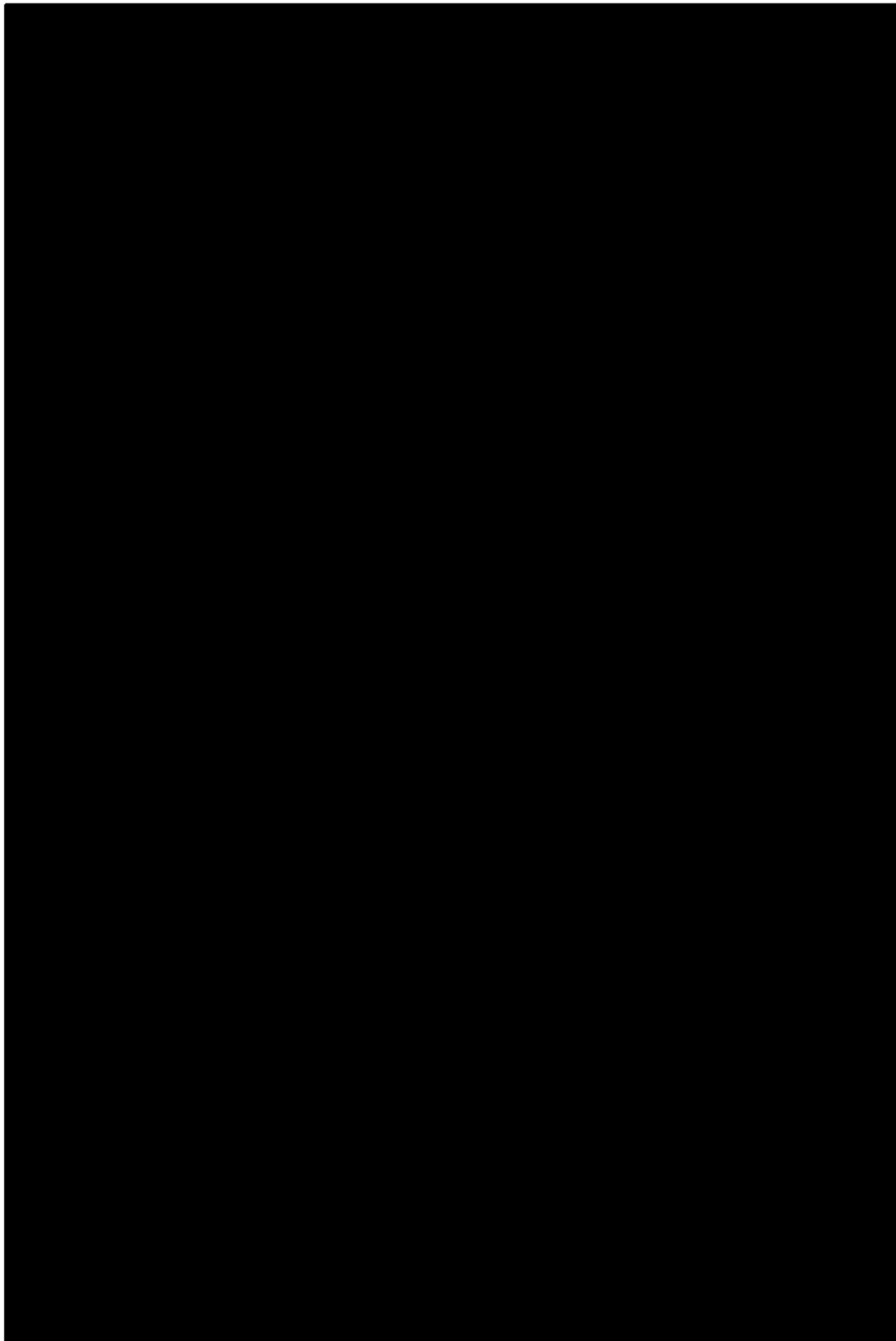
$$\begin{array}{rcl}
 \begin{array}{c} \text{Total} \\ \text{GSUs} \\ \text{Vested} \end{array} & = & \begin{array}{c} \text{Gross Shares} \\ \text{Granted} \end{array} & - & \begin{array}{c} \text{Employee} \\ \text{Income Taxes} \\ \text{Withheld} \end{array} & = & \begin{array}{c} \text{Final Shares} \\ \text{Acquired} \end{array} \\
 \boxed{25 \text{ GSUs}} & & \boxed{25 \text{ Class A} \\ \text{Google Shares}} & & \boxed{\begin{array}{c} 11 \text{ Class A} \\ \text{Google Shares} \\ \text{(Rate = 42.93\%)} \end{array}} & & \boxed{14 \text{ Class A} \\ \text{Google Shares}}
 \end{array}$$

**... however, Google cannot offer tax advice and managers should direct candidates to their own tax advisors**

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Google

## Refresher Grants Overview



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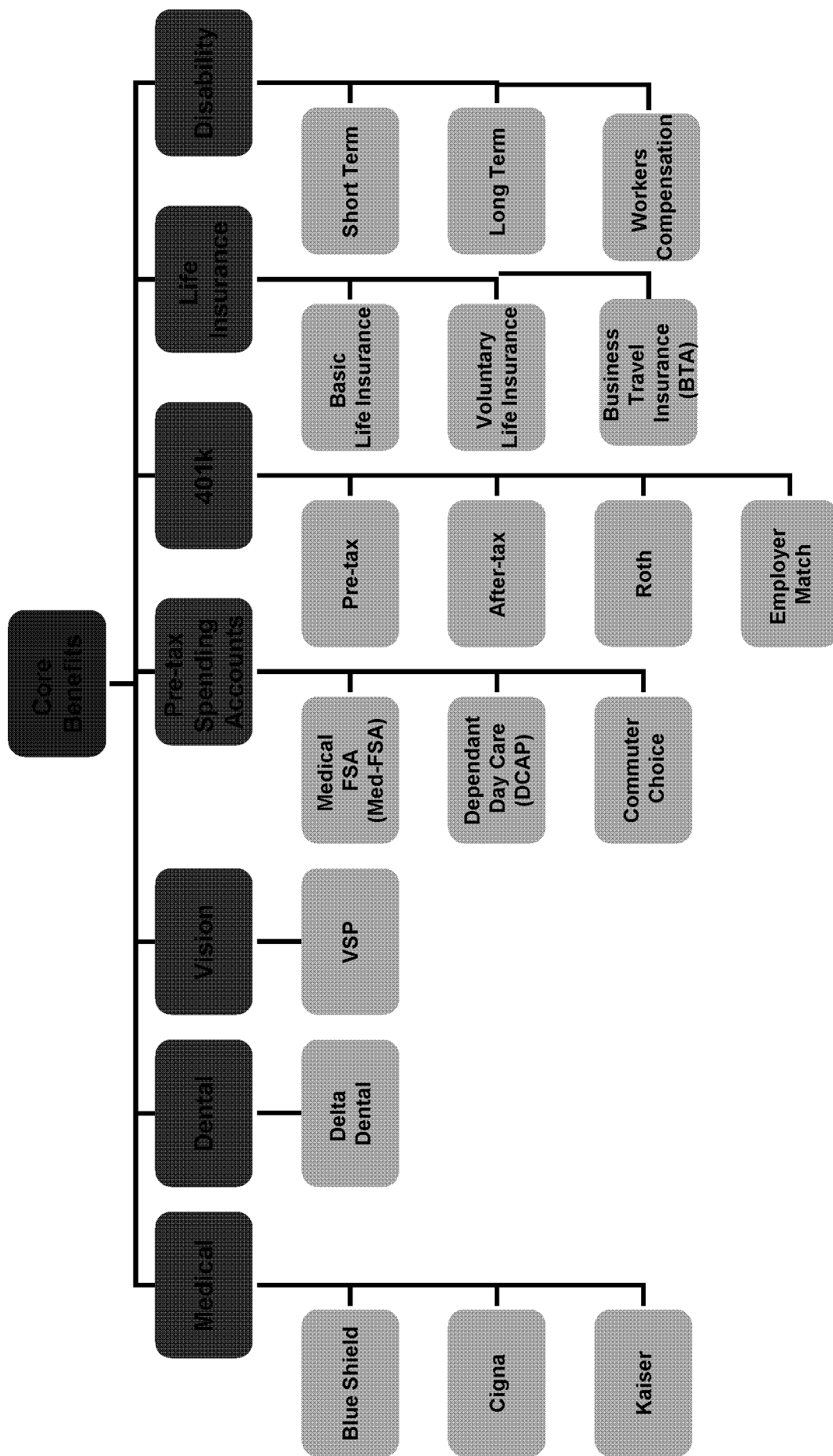
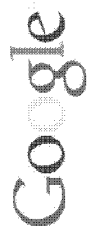
# Benefits

*Health Insurance, Commuting, Food, Gym, Education,  
Savings Plans*

Google™

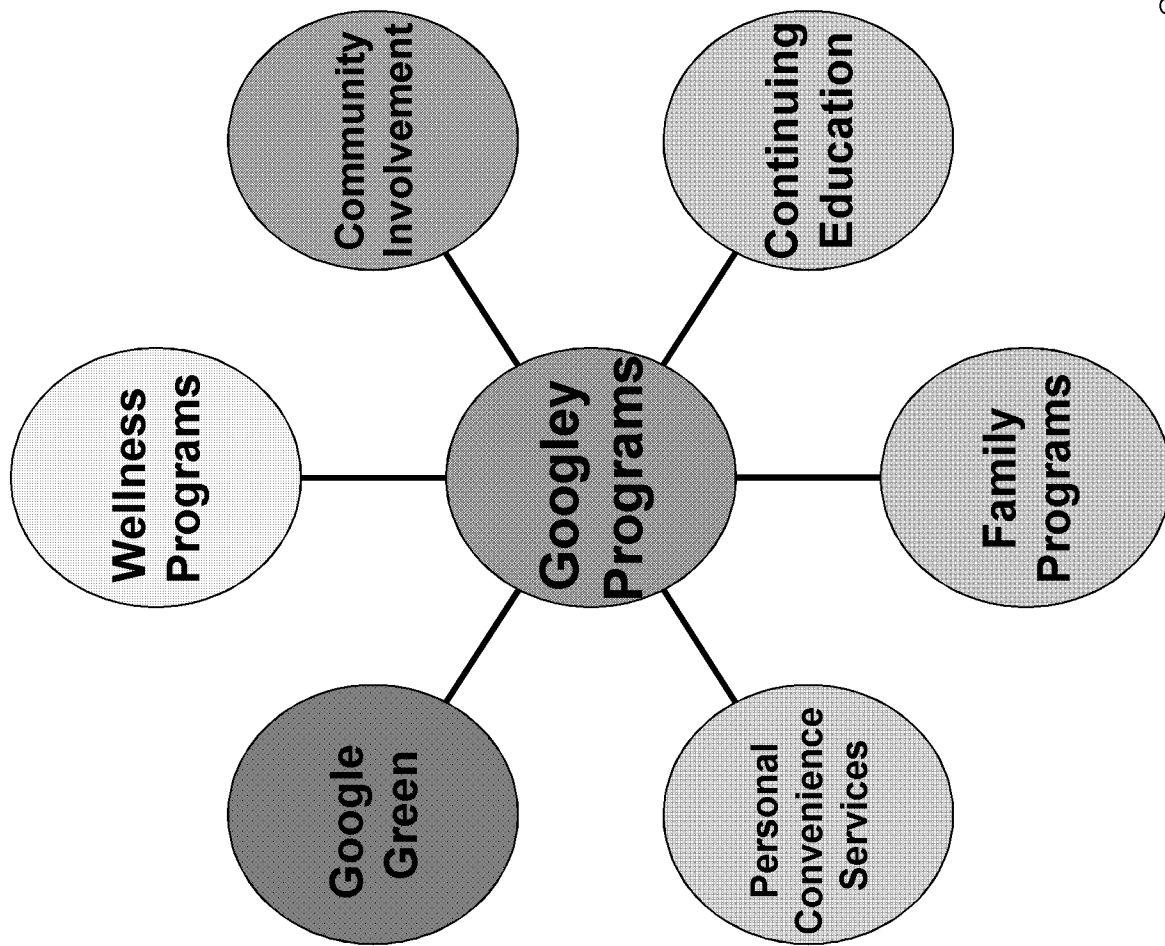
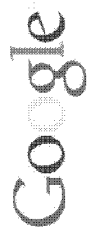
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# Core Benefits - US



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# Benefits - US



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## Benefits - Intl

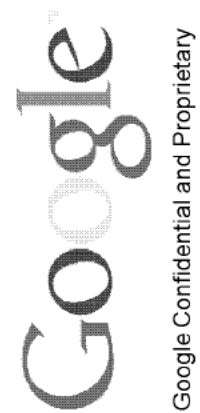


- Core benefit programs including health insurance, disability coverage and retirement/pension plans, business travel assistance.
- Time off programs including vacations/holidays, maternity/paternity/parental leaves, disability leaves, personal leaves.
- Google perks:
  - Food Services
  - Wellness Programs
    - Fitness/Gym subsidies
    - Employee Assistance Programs
  - Continuing Education
  - Language Training
  - Transportation Supplement Program

Office perks are primary a function of headcount considerations and local market norms. Please refer to MOMA for individual country benefits and/or contact [intl-benefits@google.com](mailto:intl-benefits@google.com)

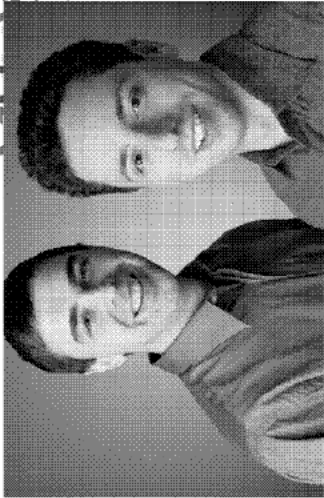
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# Recognition Plans

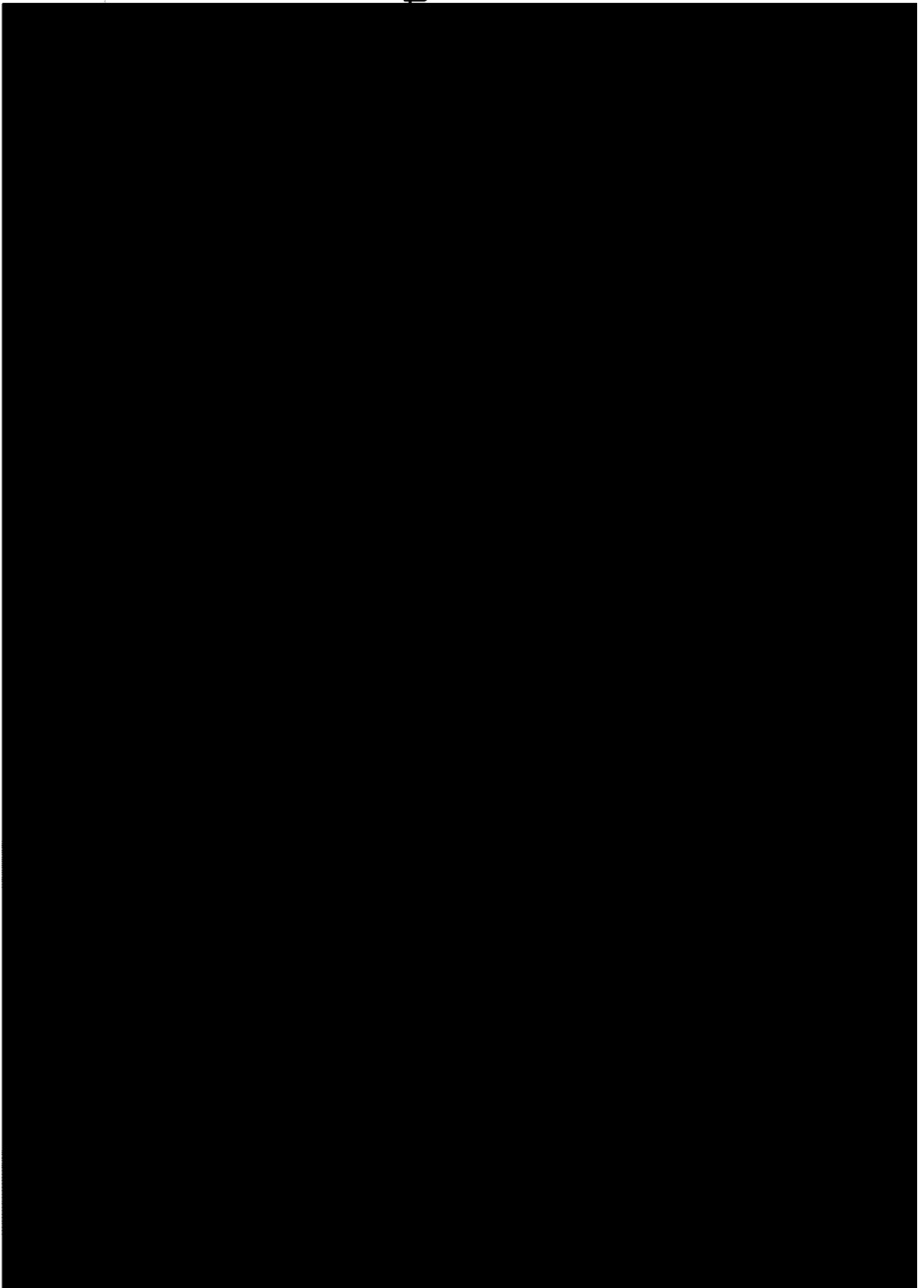




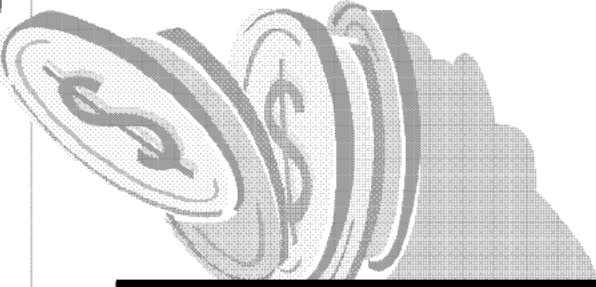
Google



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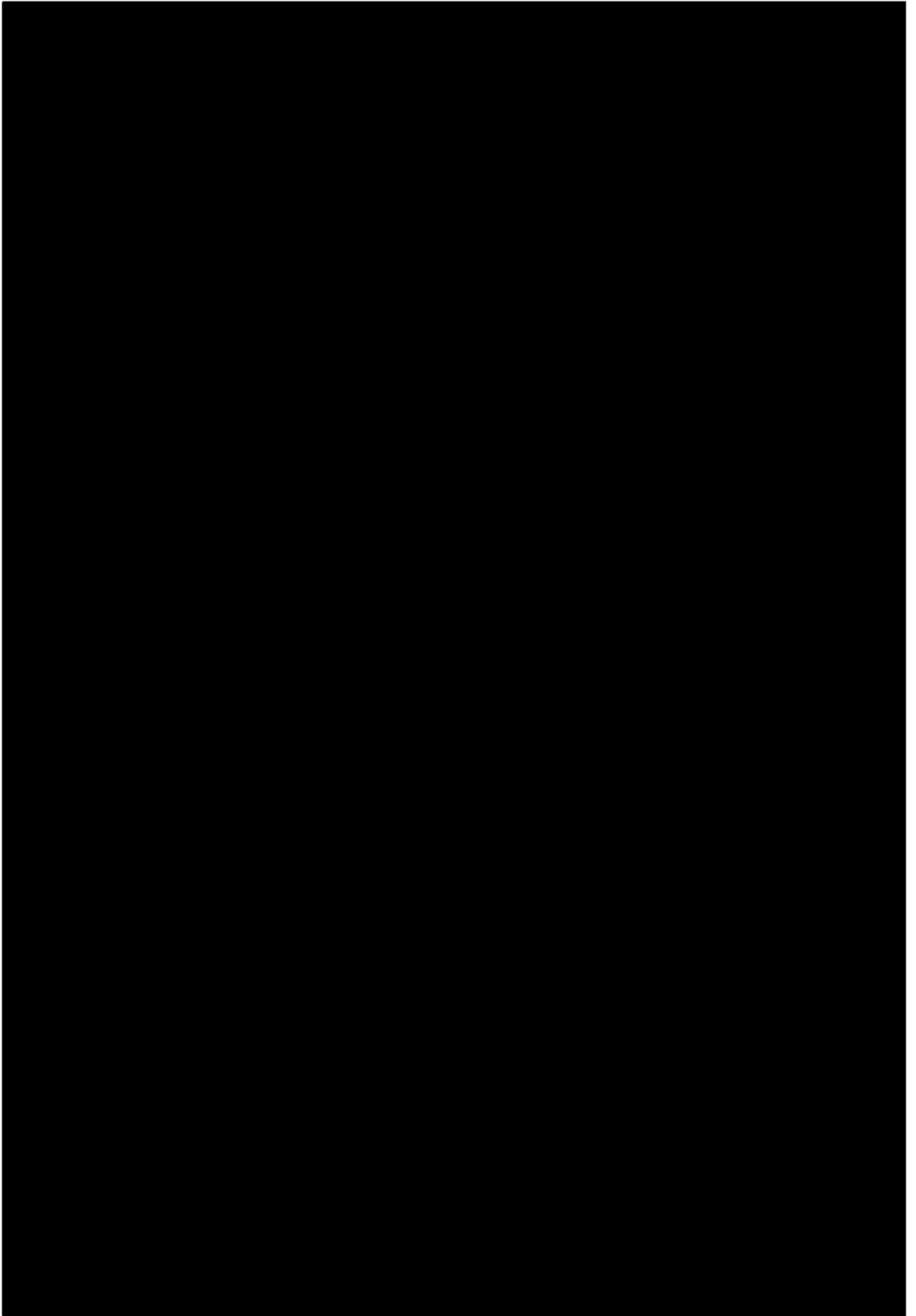


Google



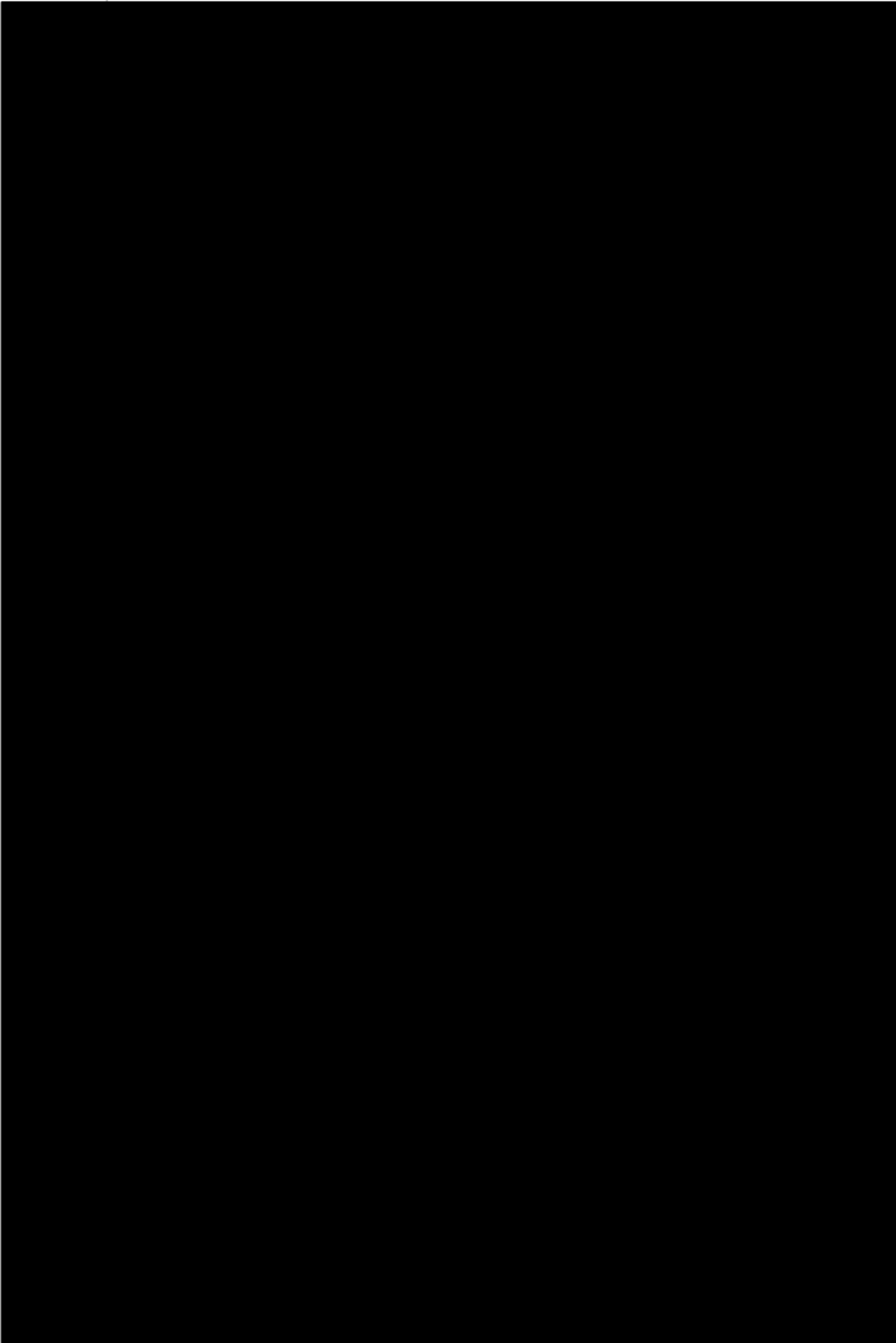
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Google

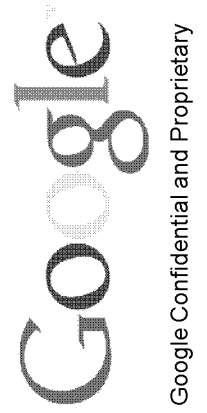


Google

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# Q and A



## Slide Notes

### **Slide 3:**

Comp Philosophy

Value Proposition

Application

Roadblocks

Comp Structure

Ladders

Leveling

Benchmarking

Ranges

Bonus Plans

Company

Sales

Sign-On

Relocation

Retention

Equity



### **Slide 5:**

Why did we establish this policy?

## Slide Notes

### Pay for Performance

We want to reward high performers and offer an incentive for hard work and great achievements

We want to promote innovation and performance

If there was just a base salary people may not be motivated to go above and beyond. In this sense we've designed pay as a form of motivation.

To attract the kinds of employees that we want. Companies that pay high base, low bonus want to attract a stable workforce that will stay until retirement – that's not necessarily the workforce we're looking for. We want innovative risk takers who will think outside the box and challenge themselves and their peers.

### Leveraged Comp

We want employees to share in the success of Google as a company – Accordingly people are empowered to make a difference

Tied to the culture – very little micromanagement.

### Equity Programs

Mixed arrangement of our equity packages offer downside protection

Through equity employees are tied into the success of Google (The better Google does, the higher the stock goes, the higher the stock goes the more money employees make)

We give equity to everyone. This is rare – Most companies just give equity to manager level and above. This reinforces our belief in inclusion and equality.

### **Slide 6:**

Google aims to be very competitive on total reward – we aim to be highly competitive, and offer a larger total reward packages than other companies. All aspects of our compensation package are strong and highly competitive. Salaries, bonuses and equity are all above market, and can be quite valuable in total. Many features of our benefits are unlike most other companies.



## Slide Notes

Please remember that our pay is highly competitive for the job that we ask them to do at Google. Don't confuse someone's background and pay history with reasonable expectations for the job...if a Company Controller decides to apply for an Accountant job, our pay will be highly competitive for the Accountant role – though it may not match the pay for their current role that is much larger.

We shouldn't apologize for our pay levels or alter our pay approach for those who choose to take a smaller job at Google than their job at a previous employer.

In addition to the financial aspects of our package we also offer a unique working environment that allows Googlers to work for a company which is changing the world, and offer the chance to work with truly exceptional people. This non-quantifiable aspect of our total offering can be very compelling to candidates, and can be just as valuable as the quantifiable aspect of our pay.

### Slide 7:

Our compensation philosophy today (for non-Sales) is to target compensation at the [REDACTED] for each of salary, total cash, and stock compensation.

What does this mean?

[REDACTED]

It doesn't mean we target our compensation to be the highest. If you compare your salary with enough of your friends doing similar work at other companies, [REDACTED]

[REDACTED]

However, if you were to compare actual total compensation, you might find Google compensation to be much higher, or even highest

Our compensation philosophy has been evolving as we have been evolving

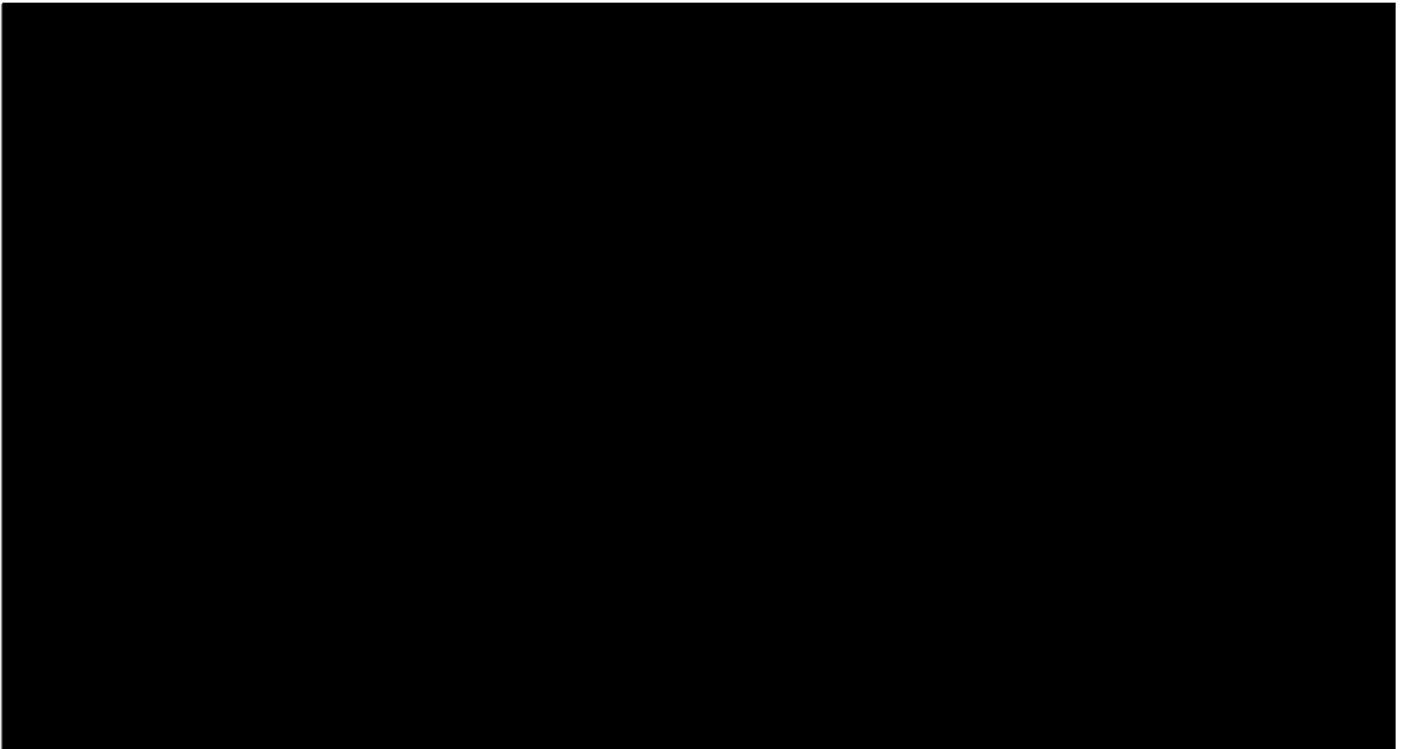
[REDACTED]

## Slide Notes

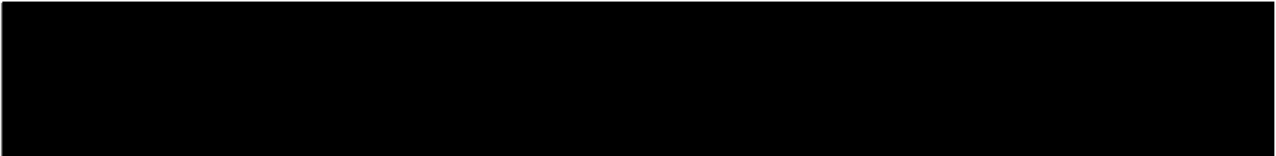
### Slide 8:

Level 4 total direct compensation (as % of Year 1 base salary)

### Slide 10:



### Slide 11:



## Slide Notes

### **Slide 13:**

#### BRAND NEW POSITIONS – Creating a Job Profile

Define the position based on Business Need & Expected Impact on the team, group, and the company.

Determine the skills and knowledge required for the position, plus key talents.

Provide the Comp team with the job description, and the Comp team will match the position using internal data sources.

We want to create new requisition – University Programs Specialist in Sydney. We create job description – responsibilities/qualification, etc. <see job profile description below> We level this job based on the profile we've created– University Programs Specialist = E3.

#### JOB PROFILE

Responsibilities • Develop and maintain relationships with key academic and administrative representatives to enhance Google's presence at each university • Establish and execute recruiting strategies based on the expertise you've acquired at your assigned schools • Prepare recruiting teams for campus visits • Create marketing and communications materials that encourage top students to apply • Track results and effectiveness of campus activities and share best practices

Requirements • BA/BS degree • Knowledge of the academic cycle and campus recruiting procedures and practices • Minimum of 5 years of experience in program/event management, recruiting, HR or a related area • Self-directed and able to work independently • Proven ability to work with multiple groups, including remote teams • Strong presentation skills • Exceptional verbal and written communication skills

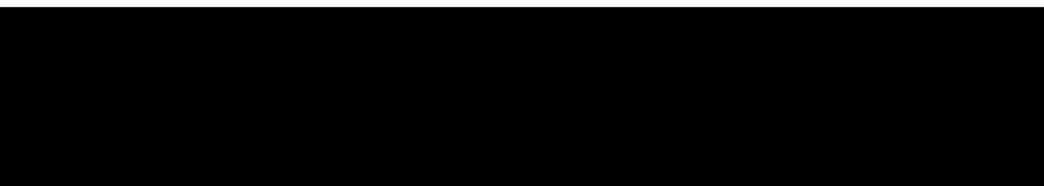
### **Slide 14:**

We set our pay levels consistent with our philosophy based on the role at Google and the local market. Essentially, we pay for cost of labor NOT cost of living.

What is Google's intended position relative to market (non-sales)?



How do we measure the market?



## Slide Notes

Peer comparator companies



How do we compare jobs to the market?

Functionally

Scope factors (role complexity, domain expertise, span of control, etc.)

Geographically

### Slide 15:



### Slide 16:

When confirming the candidate's level, consider how they compare against our Google incumbents.

How does this candidate's education and experience compare to their Google peers?

What specialized skills or critical knowledge might they bring?



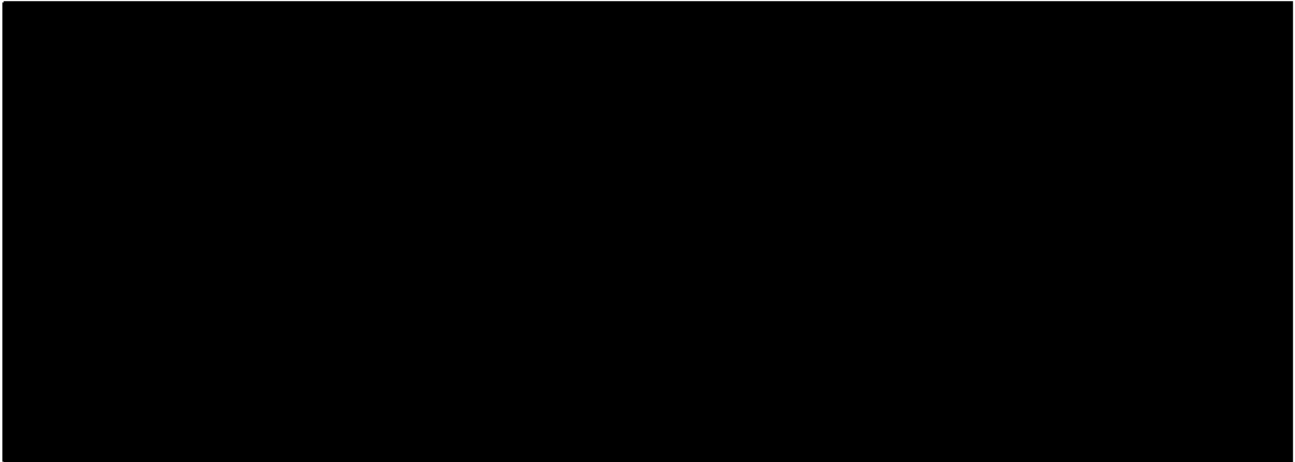
### Slide 17:

## Slide Notes

Based on all this information we can make an accurate assessment of where Paul should be comped within the salary range.

### Slide 18:

Most Nooglers are assigned, at the time of hire, to a specific job level within a specific job family. This assignment reflects Google's experience that a Noogler's past education and work experience are excellent predictors of her future job performance. However, a Noogler hired into a slottable job family is assigned to a job level only after she has been a full-time Google employee for at least three months. In the interim, HR assigns these Nooglers a temporary pre-slot job level and a job title that reads Member of Technical Staff.



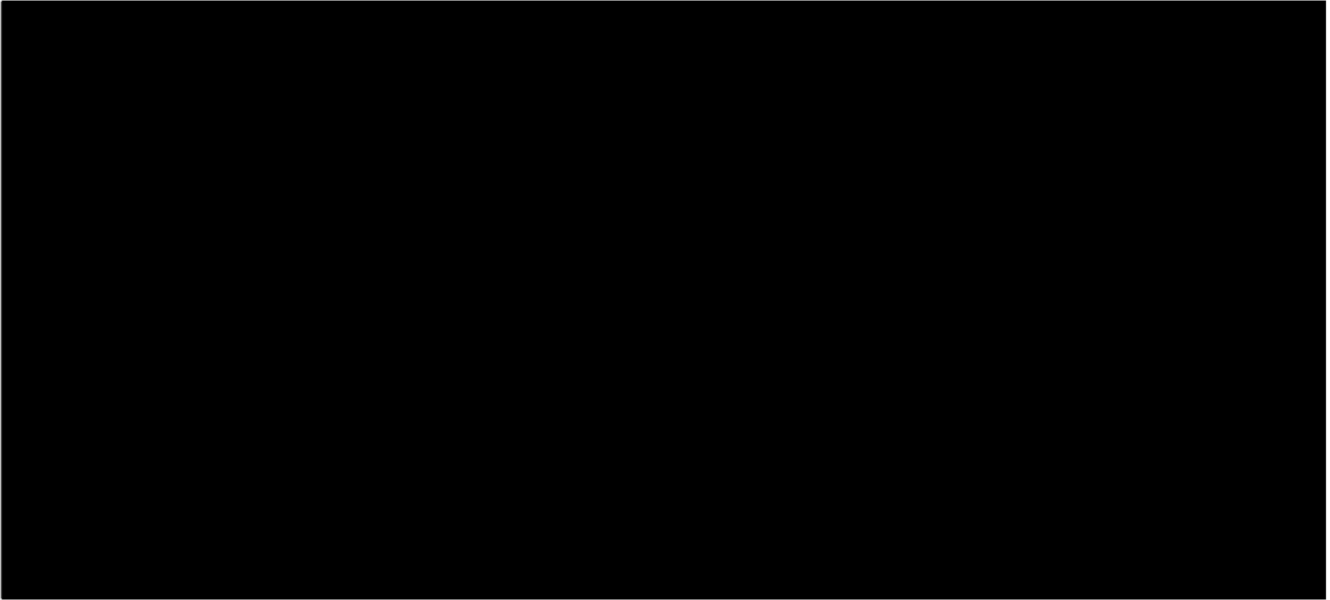
### Slide 20:



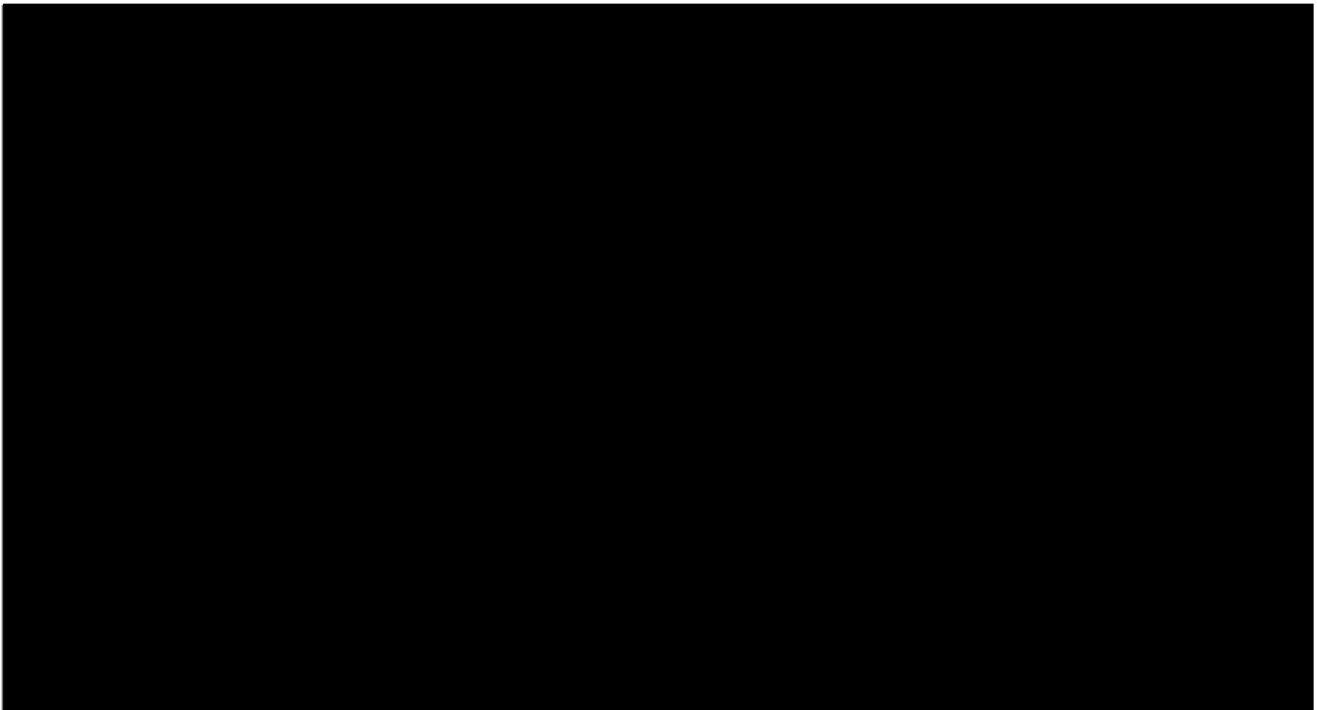
## Slide Notes

We've listed job titles here for some of our technical and non-technical jobs.

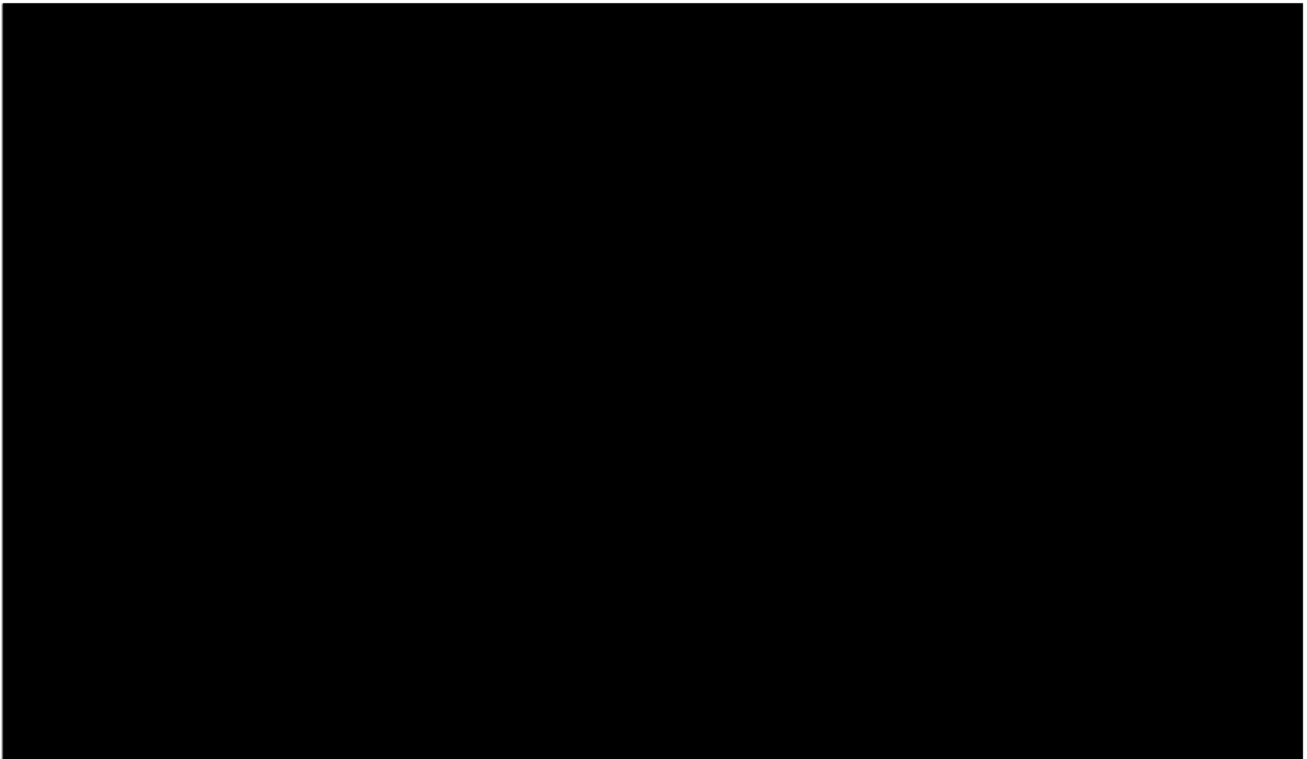
As you can see, bonus opportunities are determined by salary grade.



### Slide 21:

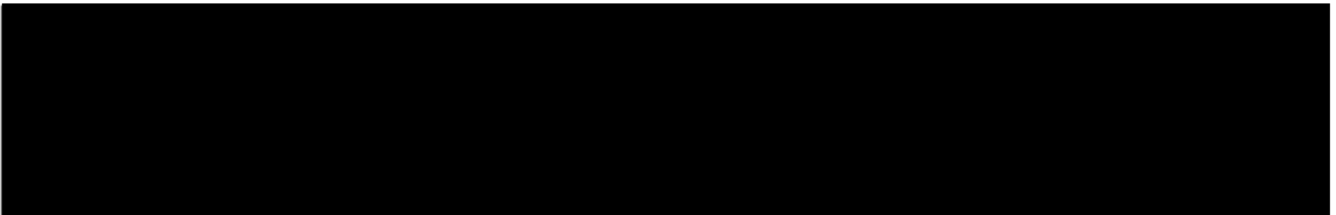


## Slide Notes

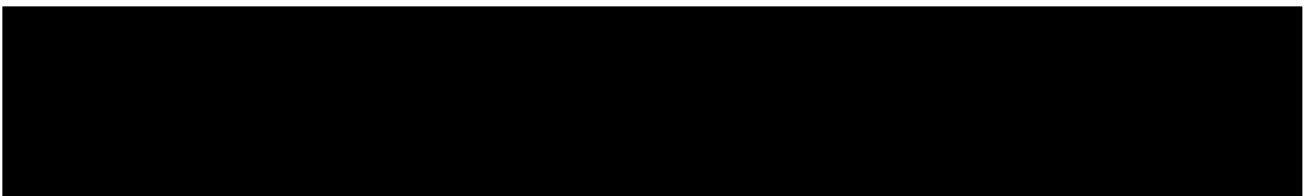


### Slide 22:

Eligibility



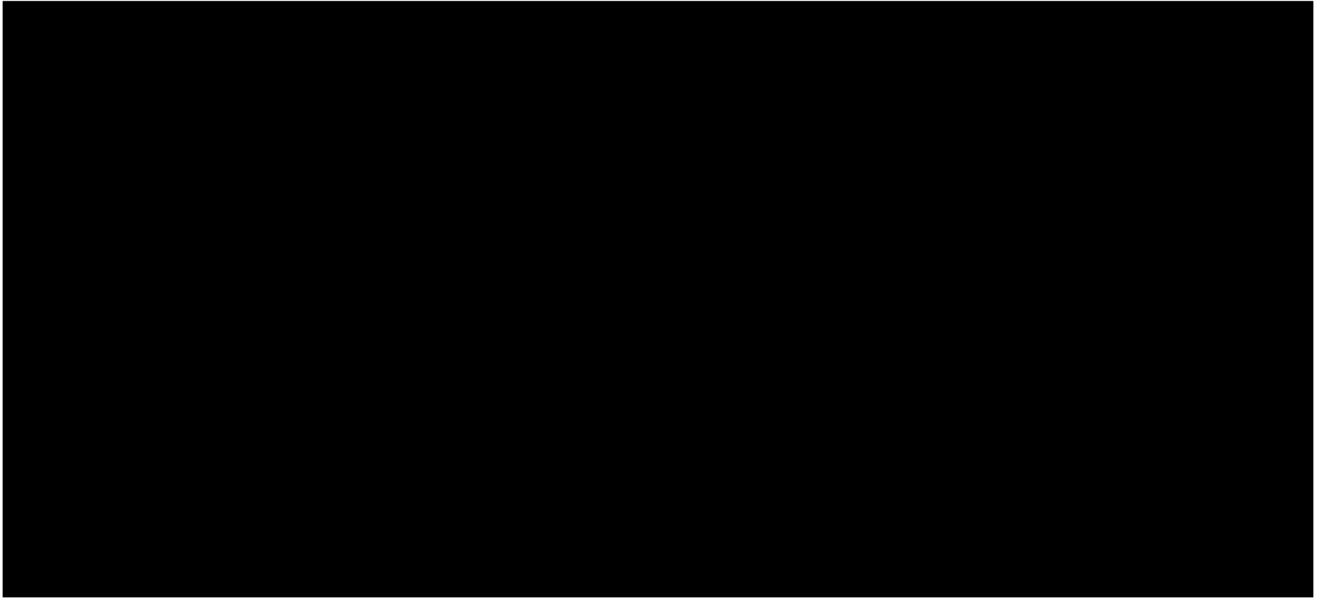
### Slide 23:



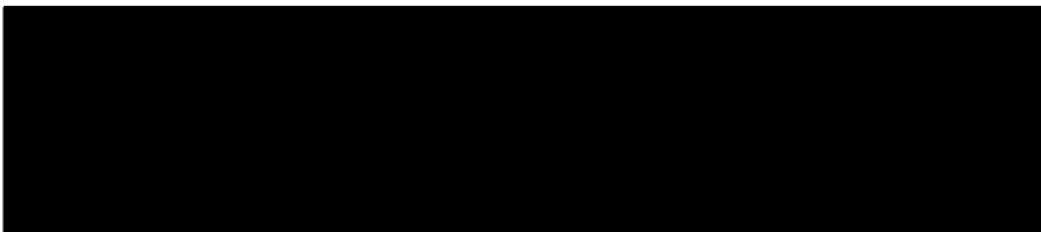
## Slide Notes

Please understand the bonus target are competitive within the US market and cannot be used outside of the US as the bonus targets may vary outside of the US.

### Slide 24:



### Slide 25:





## Slide Notes

Depends on the package and what needs to be done

### **Slide 26:**

Relocation packages may be one of the most undersold elements of our compensation packages, especially to higher level candidates. Google offers extremely competitive packages that can include such things as fully reimbursed house hunting trips, car shipment and in-transit storage of household goods <refer to US Relo Packages Summary sheet in handouts>

### **Slide 33:**

With both kinds of equity, the recipient must pay ordinary income on the entire amount of gain. There's no getting around the ~40% tax.

The difference between options and GSUs:

Options – Google grants non-qualified options (NSOs). NSOs are not taxed until the options are exercised

GSUs – tax immediately upon vesting, due on that day. Therefore, to help employees avoid that administrative burden, we withhold tax upon payment. It's similar to how we withhold tax on a bonus as it's paid out.

The tax rate is the same rate as applied to bonus payments. And, as you report your taxes the following year, there might be a true up depending on the employee's individual tax situation..

To see your country's specific tax effect on Google stock options and/or GSUs:

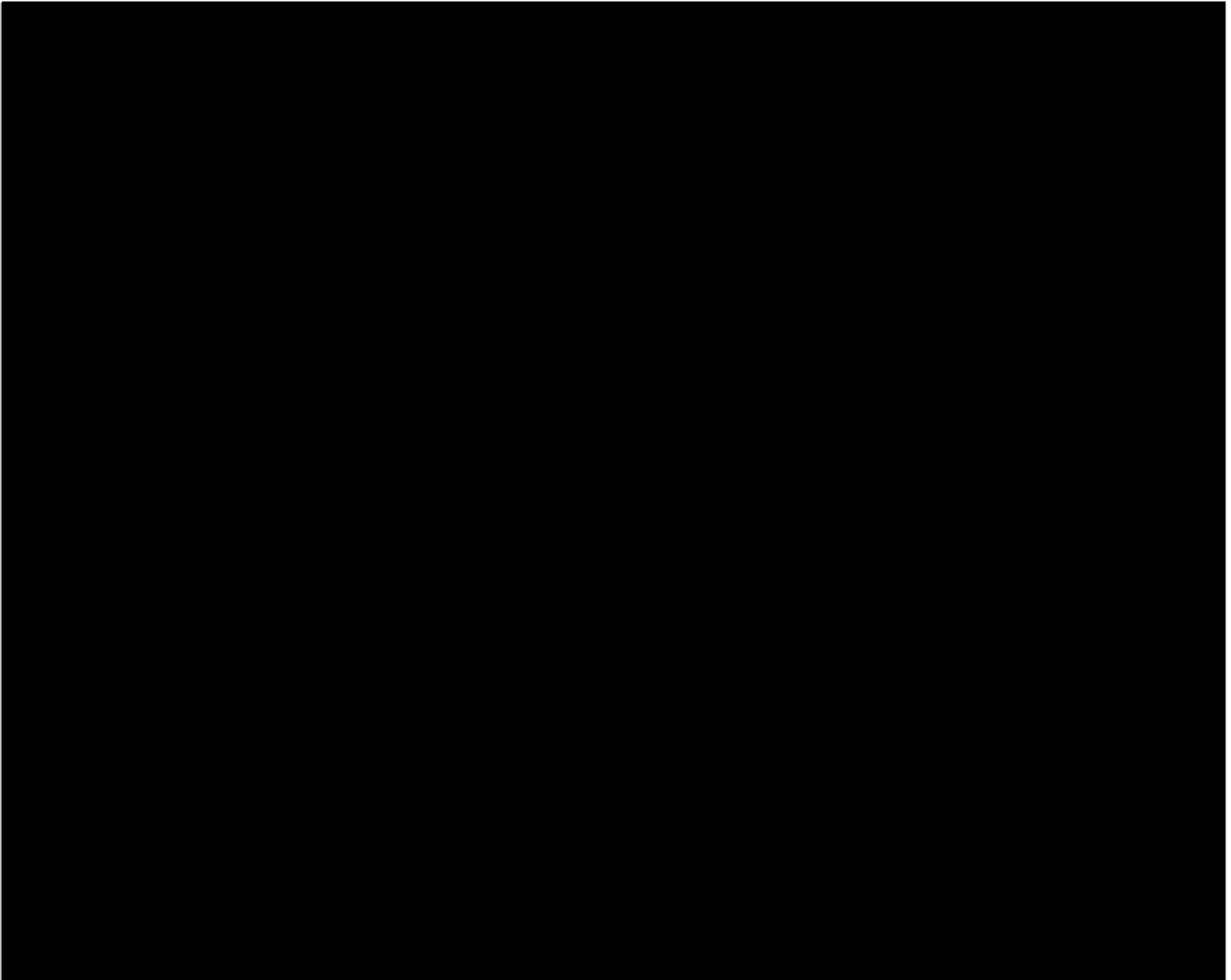
[www.pwcequityplanner.com](http://www.pwcequityplanner.com)

Username: Google EC

Password: blogger

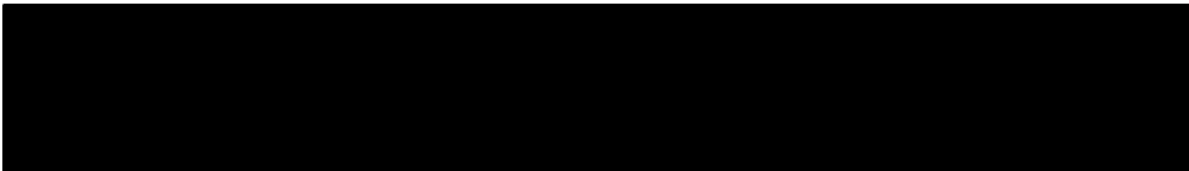
## Slide Notes

### Slide 34:

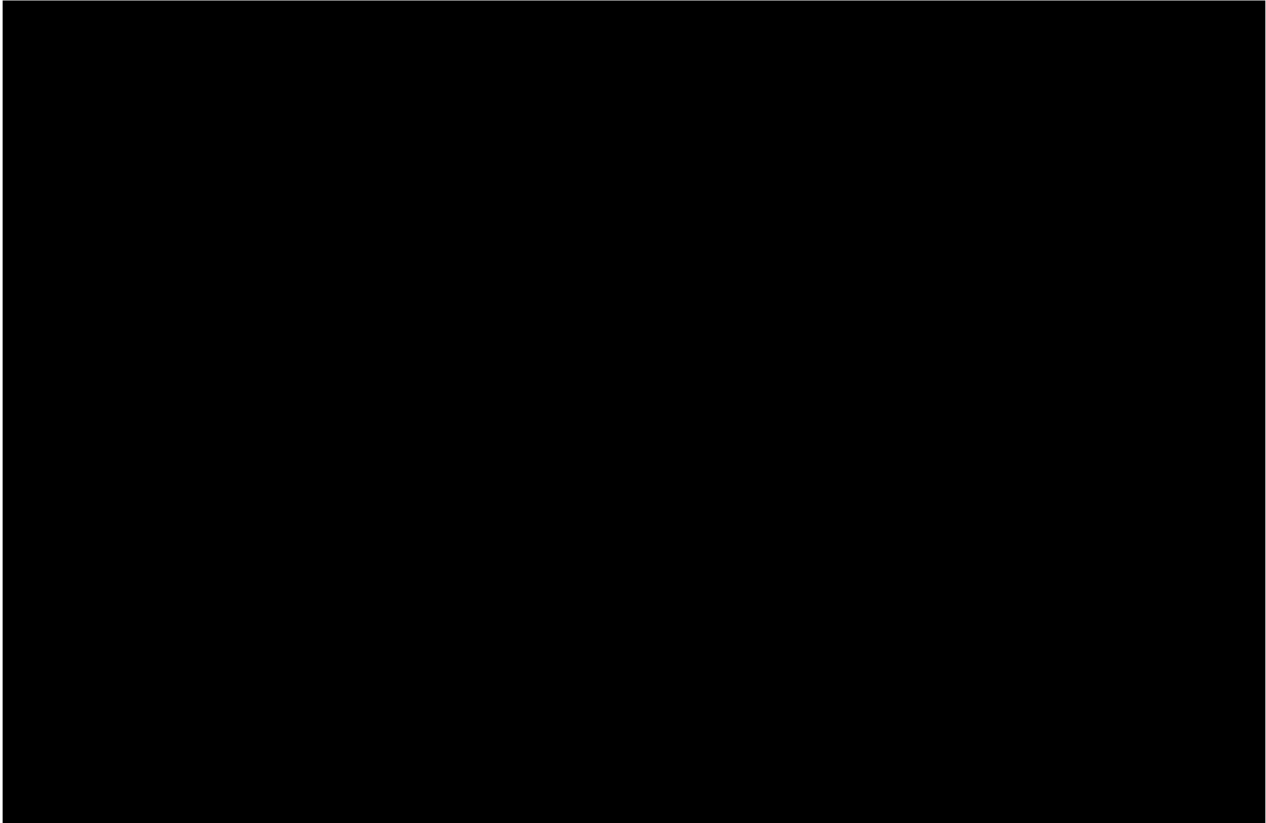


### Slide 42:

FAQ's:



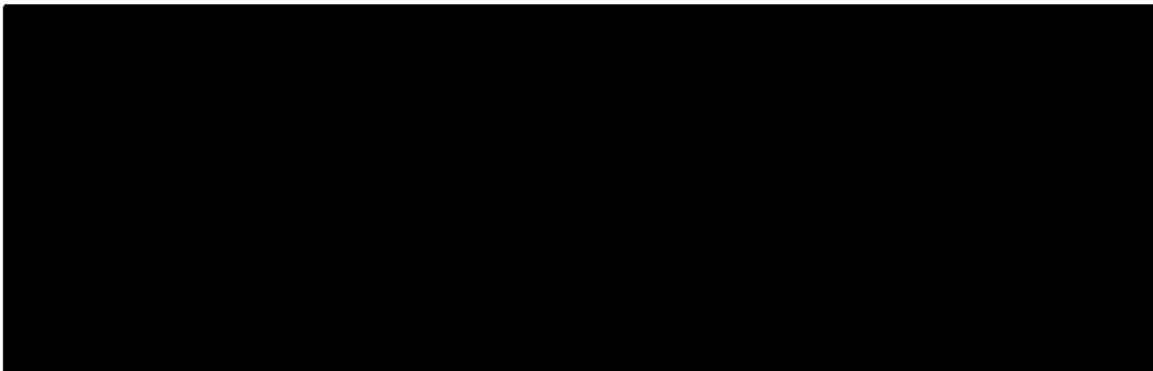
## Slide Notes



**Slide 43:**

An opportunity for all teams to participate in a bonus program and more visibly recognize the teams and individuals for their accomplishments.

Selection is made at the manager/director level, however peer input is highly encouraged.



## Slide Notes